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# FREIGHT RATES

## WESTERN TERRITORY

### PART 1

## WESTERN TRUNK LINE TERRITORY

H. H. CHURCHILL  
Chief of Tariff Bureau  
Chicago Great Western Railway  
Chicago

LASALLE EXTENSION UNIVERSITY  
(Non-Resident Instruction)  
CHICAGO

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# RATES IN WESTERN TRUNK LINE TERRITORY

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## CHAPTER I

### INTRASTATE RATES

#### 1. STATE RATES IN ILLINOIS

Western Trunk Line Territory is shown on Map 1<sup>1</sup> as embracing the eight following states: Illinois, Iowa, Missouri (north of the Missouri River), Wisconsin, Michigan (Northern Peninsula), Minnesota, South Dakota, and North Dakota. While the territory covered by these states could hardly be said to include all of Western Trunk Line Territory or to exclude all that is not Western Trunk Line Territory, there is a degree of similarity in the regulation of rates by these eight states. The railroad and public service commissions of six of the states named above prescribe rates for both classes and commodities moving within each of the states, and the carriers of Wisconsin and Michigan (Northern Peninsula) publish distance rates under the approval of the state commissions. These intrastate rates are quite important also as the basis for interstate rates. In some cases the state rates of one state are applied between points in that state and points in a neighboring state. In other cases the interstate rates are based, to some extent at least, on a combination of the state rates in

<sup>1</sup> Railway Traffic Maps.

the two states. For these reasons it is important to get a general understanding of the state rates before attempting a study of the interstate rates.

The state of Illinois was one of the first commonwealths of the United States to assume control of railways, and the commission of that state has seen more than forty years of service. The commission has prescribed both class and commodity rates on a mileage basis and also a state classification, which governs all freight classification within the state. The Railroad and Warehouse Commission of Illinois was succeeded by the Public Service Commission of Illinois in January, 1914. The decisions and opinions of the Railroad and Warehouse Commission of Illinois are a valuable contribution to the literature on railway rate control.<sup>2</sup>

Table 1 shows the maximum freight rates on classes in Illinois prescribed by the Railroad and Warehouse Commission for certain selected distances only. In studying the rates prescribed by the various commissions it is easier to compare the rates of the different states by presenting only skeleton tables for various distances. For this reason the distances selected and shown in the tables are made uniform so far as the area of the states will permit. The rates shown in Table 1 were made effective in July, 1906, and have not been changed to the present date. These rates are applied over all "Class (A)" roads within the state. "Class (A)" includes the more important railway systems and the main lines of some of the less important railways. Railroads of "Class (B)" may add 10 per cent to the

<sup>2</sup> Decisions and opinions of the Railroad and Warehouse Commission of Illinois, 1889-1912, Vol. III (1912).

rates shown in Table 1 for Classes 1 to 5, inclusive, and 5 per cent to the rates for Classes 6 to 10, inclusive.

These rates are quite low and were reduced in 1906 from a higher schedule. The chief reason for this reduction was the competition between Indianapolis, Detroit, and other cities east of the Illinois-Indiana State Line and Chicago and other Illinois cities over rates between the cities mentioned and St. Louis, Mo., Quincy, Ill., and other cities in southwestern Illinois. The cities east of the Illinois-Indiana State Line were subject to the Central Freight Association Scale of class rates to St. Louis. The C. F. A. Scale was materially lower than the Illinois distance rates that were in effect at that time,<sup>3</sup> and since the Illinois rates were applied between Chicago and Illinois points, the rates between Chicago and St. Louis were materially higher than the rates between Indianapolis and St. Louis. Chicago shippers brought the matter before the Illinois Commission and succeeded in having the Illinois distance rates reduced to their present basis.

TABLE 1  
MAXIMUM FREIGHT RATES ON CLASSES IN ILLINOIS

MILES	RATES IN CENTS PER 100 POUNDS <sup>1</sup>									
	Classes									
	1	2	3	4	5	6	7	8	9	10
5.....	11	9	8	6	5	4	4	4	3	3
20.....	15	14	11	8	7	6	6	5	4	4
40.....	21	17	14	11	8	8	8	7	5	5
100.....	31	25	20	15	12	12	11	9	7	6
200.....	39	32	24	20	16	15	14	12	9	9
400.....	48	40	32	25	20	19	16	13	13	11
500.....	50	41	34	26	21	21	19	17	14	13

<sup>1</sup> Governed by the Illinois Classification. Fractions of more than one-half are written as units, and fractions of one-half or less are disregarded in the tables of this treatise.

<sup>3</sup> Table 45 of the treatise on "Freight Rates: Official Classification Territory" shows the distance rates of the C. F. A. Scale.

Table 2 shows the commodity rates prescribed on freight by the Commission of Illinois. There are only 11 commodities on which the commission prescribes commodity rates. All other commodities moving within the state are governed by the class rates. The commodity rates are quite low and apply only on roads in "Class (A)." On roads in "Class (B)" the carriers may add 5 per cent to the rates shown in Table 2. In the tables of this treatise, fractions of one half and less are disregarded, and those of more than one half are written as an additional unit.

The level surface and the relatively similar traffic conditions within the state make a uniform scale of rates, both class and commodity, practicable in Illinois. The level area and the heavy traffic movement in the state also make it possible to apply a very low scale of rates and yet allow sufficient remuneration to capital invested in Illinois railways. Probably for these reasons the rate regulation of the state of Illinois is perhaps more complete and subject to fewer exceptions than that of any other state. A state classification is prescribed, a distance scale of rates is applied to special commodities, and other articles are shipped under the class distance table. There are no exceptions to the classification, nor are special commodity rates recognized by the commission, except those prescribed by the commission. Moreover, the rates on "Class (B)" roads are a uniform scale higher than those on "Class (A)" roads. The commission prescribes a complete and uniform system of rates, except for "Class (B)" roads, and the rates prescribed are applicable on both local and interline business. In a num-

ber of states the distance rates are based on the combinations of the mileages of the different carriers in a joint through rate. This is not true in Illinois.

## 2. STATE RATES IN IOWA

TABLE 2

MAXIMUM FREIGHT RATES PRESCRIBED BY THE COMMISSION OF  
ILLINOIS ON COMMODITIES

RATES IN CENTS PER 100 POUNDS, C. L.											
Miles	Wheat	Grain, except Wheat	Lumber	Salt	Soft Coal	Horses and Mules	Cattle	Hogs	Sheep	Fruits and Vegetables	Limestone, Dust, and Ground Lime
5	4	3	3	4	2	5	5	5	6	4	1
20	5	4	4	5	2	7	6	7	8	5	1
40	6	5	5	6	3	8	7	8	10	6	1
100	8	7	8	8	4	10	9	12	14	9	2
200	10	9	10	10	5	13	12	15	18	12	3
400	13	12	12	12	7	18	16	18	22	15	8
500	14	13	13	12	7	20	18	20	24	16	8

TABLE 3

MAXIMUM FREIGHT RATES ON CLASSES IN IOWA

RATES IN CENTS PER 100 POUNDS <sup>1</sup>										
MILES	Classes									
	1	2	3	4	5	A	B	C	D	E
5.....	14	12	9	7	5	5	5	4	3	3
20.....	16	14	11	8	6	6	6	5	4	3
40.....	19	16	12	9	7	7	7	6	5	4
100.....	24	20	16	12	8	9	8	7	6	5
200.....	40	30	23	19	14	16	13	11	9	8
400.....	61	45	35	30	25	28	23	20	17	16
500.....	66	50	40	35	30	32	27	25	22	21

<sup>1</sup> Governed by the Iowa Classification. The rates given apply on shipments moved over only one line. The rates for joint hauls are 80 per cent of the sums of the local rates on two or more lines.

Table 3 shows the maximum freight rates on classes in Iowa for certain distances. While these rates are governed by the Iowa Classification and, for that reason, not entirely comparable to Table 1, the rates in Iowa are generally higher than those within the state of Illinois. This condition is as it should be, perhaps. The average freight traffic density<sup>4</sup> within the state of Iowa is materially lower than that in Illinois. The traffic in coal and in manufactures is much heavier in Illinois than in Iowa, and the peculiar location of the state of Illinois forces a very heavy traffic between the east and the west to pass across that state. The larger part of the traffic crossing the Mississippi River above Memphis and south of St. Paul must pass through the state of Illinois. This is due largely to the location of Lake Michigan and the Mississippi River bridges. In view of the heavy traffic in Illinois it is to be expected that the rates would be lower than those in Iowa.

When the exact distance of a particular shipment is not shown in the distance table prescribed by the Iowa Commission, the rate for the next higher mileage applies. The rates on a shipment of freight passing over two or more railroads within the state are 80 per cent of the sum of the local charges for the distance each railroad hauls the freight. For example, the rate for 50 miles on the lines of a certain company at Class-E rate is 4 cents, and the rate for 75 miles on another railway at Class-E rate is 4.4 cents. The sum of the rates is 8.4 cents. Eighty per cent of 8.4 cents is 6.72 cents, the joint rate. In case the application of 80 per cent of the sum of the local rates makes the rate less than the continuous-mileage rate, the

<sup>4</sup> Freight traffic density is the number of tons of freight carried over a mile of line.



latter rate governs. For example, the rate for a distance of 5 miles for first-class freight is 14 cents; for 320 miles, 57 cents. The total rate is 71 cents and 80 per cent of that is 56.8 cents, whereas the rate for 320 miles is 57.5 cents, a higher rate than the combination rates. In this case the higher rate applies. The reason for this regulation is that the carrier that handles the freight for the 320 miles should not be forced to accept a less rate for the joint haul than he would for a local haul of 320 miles and still be forced to divide this smaller rate with the carrier that transports the freight for the short distance. The regulations stated concerning the continuous haul do not apply, however, on distances of less than 25 miles. For hauls less than 25 miles the joint rates are 80 per cent of the local charges.

In addition to the class rates the commission of Iowa prescribes commodity rates on 27 articles. These rates are prescribed for the same distances as class rates, and the rules concerning joint hauls are the same in the case of commodity rates as stated in connection with class rates. It should be noted here that the Iowa Commission prescribes a much longer list of commodity rates than the Illinois Commission does.

### 3. STATE RATES IN MISSOURI

The maximum freight rates on classes applying in Missouri on and north of the main line of the Missouri Pacific Railway, between St. Louis and Kansas City, Mo., are shown in Table 4. These rates are governed by the Western Classification as are the rates in all Western Trunk Line states except Illinois and Iowa. The class rates in northern Missouri shown in Table 4 are higher

than the class rates in Illinois, and on an average are higher than those in Iowa.

The maximum class rates applying in Missouri south of the main line of the Missouri Pacific Railway, between St. Louis and Kansas City, Mo., are shown in Table 5. These rates are slightly higher than those shown in Table 4 for short distances and materially so for longer distances. They are also materially higher than the rates within both Illinois and Iowa.

#### 4. STATE RATES IN WISCONSIN

The maximum rates for classes in Wisconsin, promulgated by the Chicago & North-Western Railway and approved by the Wisconsin Commission, are shown in Table 6. These rates are very low for the shorter distances and especially for the lower classes. On other classes, however, and for longer distances the Wisconsin rates are even higher than the rates in southern Missouri and much higher than the rates in Illinois, Iowa, and northern Missouri.

The railways in Wisconsin also prescribe rates for

TABLE 4  
MAXIMUM FREIGHT RATES ON CLASSES APPLYING IN MISSOURI, ON  
AND NORTH OF THE MAIN LINE OF THE MISSOURI PACIFIC  
RAILWAY BETWEEN ST. LOUIS AND KANSAS  
CITY, MO.

MILES	RATES IN CENTS PER 100 POUNDS <sup>1</sup>									
	Classes									
	1	2	3	4	5	A	B	C	D	E
5.....	15	12	10	7	6	7	5	4	4	3
20.....	22	17	14	11	7	9	7	6	5	4
40.....	28	23	18	14	9	12	8	8	7	5
100.....	40	33	26	20	15	17	15	12	10	8
200.....	60	47	36	27	22	25	19	17	14	11
400.....	68	52	41	31	26	33	26	23	18	15

<sup>1</sup> Governed by the Western Classification and exceptions.

TABLE 5

MAXIMUM FREIGHT RATES ON CLASSES APPLYING IN MISSOURI  
SOUTH OF THE MAIN LINE OF THE MISSOURI PACIFIC RAIL-  
WAY BETWEEN ST. LOUIS AND KANSAS CITY, MO.

MILES	RATES IN CENTS PER 100 POUNDS <sup>1</sup>									
	Classes									
	1	2	3	4	5	A	B	C	D	E
5.....	15	13	10	9	7	8	7	5	4	3
20.....	22	19	15	13	11	12	10	7	6	4
40.....	28	24	20	17	14	15	13	10	7	5
100.....	40	34	28	24	20	22	18	14	11	8
200.....	60	51	42	36	30	33	27	21	16	12
400.....	83	72	59	51	42	47	38	29	23	17

<sup>1</sup> Governed by the Western Classification and exceptions.

TABLE 6

MAXIMUM FREIGHT RATES ON CLASSES IN WISCONSIN

MILES	RATES IN CENTS PER 100 POUNDS <sup>1</sup>									
	Classes									
	1	2	3	4	5	A	B	C	D	E
5.....	9	8	7	6	4	4	3	3	3	2
20.....	18	15	12	10	7	7	5	4	4	4
40.....	26	21	18	13	10	10	7	6	5	4
100.....	38	31	25	19	15	15	11	9	7	6
200.....	50	42	33	24	19	23	18	15	12	11
400.....	80	68	55	39	29	35	29	26	22	17

<sup>1</sup> Governed by the Western Classification and exceptions.

certain commodities on a distance basis. The state of Wisconsin is not so level or the traffic so dense as in Illinois. For this reason it is natural that the rates should be somewhat higher. The various traffic districts also make a uniform system, such as has been adopted in Illinois and Iowa, less feasible.

## 5. STATE RATES IN MICHIGAN

Class rates within the state of Michigan (Northern Peninsula) published by the Chicago & North-Western Railway are shown in Table 7. For 5 miles the rates are almost the same as the class rates in Wisconsin. For 40 miles and higher distances the rates are materially higher in the Northern Peninsula of Michigan than in the state of Wisconsin. It may be recalled here that the rates within the Southern Peninsula of Michigan are shown in Table 46 of the treatise on "Freight Rates: Official Classification Territory." The class rates shown in that table are somewhat lower than those for the Northern Peninsula; the rates are not easily comparable on account of the application of the Official Classification in the Southern Peninsula and the Western Classification in the Northern. The Northern Peninsula of Michigan is rather sparsely settled and the movement of merchandise, except on the main lines, is very light. For this reason, it is not unnatural that the merchandise rates should be comparatively high. There is, of course, an important movement of ore over certain lines in Northern Michigan at a low rate, and this movement enables the carriers to pay dividends at lower rates than could be maintained were this traffic not present.

## 6. STATE RATES IN MINNESOTA

The class rates prescribed by the Railroad and Warehouse Commission of Minnesota are governed by the Western Classification and by exceptions and changes made by the Railroad and Warehouse Commission of Minnesota. These rates are shown in Table 8. They are

materially lower than the rates in Michigan, except for the shorter distances, but higher than the Illinois and Iowa rates. Here again the conditions are as they might be expected to be. The traffic is not so dense in Min-

TABLE 7  
MAXIMUM FREIGHT RATES ON CLASSES IN MICHIGAN  
(NORTHERN PENINSULA)

MILES	RATES IN CENTS PER 100 POUNDS <sup>1</sup>									
	Classes									
	1	2	3	4	5	A	B	C	D	E
5.....	9	8	7	6	5	4	3	3	3	2
20.....	18	15	12	11	9	7	5	4	4	3
40.....	30	26	20	16	13	10	7	6	6	5
100.....	53	43	35	31	25	20	15	12	11	9
200.....	70	60	50	40	32	30	20	16	15	12
400.....	104	87	70	60	48	40	30	26	24	19
460.....	110	90	75	60	48	40	33	29	27	22

<sup>1</sup> Governed by the Western Classification and exceptions.

TABLE 8  
MAXIMUM FREIGHT RATES ON CLASSES IN MINNESOTA

MILES	RATES IN CENTS PER 100 POUNDS <sup>1</sup>									
	Classes									
	1	2	3	4	5	A	B	C	D	E
5.....	13	10	8	6	5	6	4	4	3	2
20.....	16	13	10	8	6	7	5	5	4	3
40.....	19	16	13	10	8	9	7	6	5	4
100.....	32	27	21	16	13	14	11	10	8	6
200.....	53	44	35	26	21	24	18	16	13	10
400.....	73	61	49	37	29	33	36	22	18	15

<sup>1</sup> Governed by the Western Classification and exceptions and changes made by the Railroad and Warehouse Commission of Minnesota.

nesota as in Illinois and Iowa, nor is the merchandise traffic so light as in the Northern Peninsula of Michigan.

In 1906 the commission made material reductions in the intrastate rates. The case was finally brought before

the Supreme Court, where the state-prescribed rates were upheld and declared to be neither unreasonable nor confiscatory except in the case of a few of the weaker carriers within the state. This decision was not rendered until in 1913. During the seven years in which the controversy was carried on, the old rates, which were materially higher than the rates finally declared reasonable, were applied. However, the Railroad and Warehouse Commission required the carriers to keep an account of all traffic and make refund after the decision was handed down.

In addition to the maximum class rates prescribed by the commission, there are within the state of Minnesota what are termed jobbers' rates. They are materially lower than the distance rates between certain important centers.

#### 7. STATE RATES IN SOUTH DAKOTA

The maximum class rates in South Dakota east of the Missouri River are shown in Table 9. These rates are approximately the same as the Illinois rates for 5 miles, but for greater distances they are materially higher than either the Illinois or the Iowa rates. For the longer distances they are even higher than the Minnesota rates.

The maximum class rates in South Dakota west of the Missouri River are shown in Table 10. These rates are materially higher than those shown in Table 9. The traffic conditions west of the Missouri River are not so highly developed as they are east of the river. The country west of the Missouri River is new and the traffic light. This is perhaps the chief reason for higher rates west of the river than apply in the older part of the

state. In addition to the class rates there are also a number of commodity tariffs prescribed by the Commission of South Dakota.

TABLE 9

MAXIMUM FREIGHT RATES ON CLASSES IN SOUTH DAKOTA EAST OF THE MISSOURI RIVER

MILES	RATES IN CENTS PER 100 POUNDS <sup>1</sup>									
	Classes									
	1	2	3	4	5	A	B	C	D	E
5.....	11	9	7	5	4	4	4	3	3	2
20.....	18	15	12	9	7	7	6	5	4	4
40.....	26	22	18	13	10	10	9	8	7	5
100.....	37	31	24	18	15	15	13	11	9	7
200.....	55	46	37	27	22	22	19	17	14	11
400.....	82	68	55	41	33	33	29	25	21	17

<sup>1</sup> Governed by the Western Classification and exceptions. Authority, South Dakota Distance Tariff No. 1.

TABLE 10

MAXIMUM FREIGHT RATES ON CLASSES IN SOUTH DAKOTA WEST OF THE MISSOURI RIVER

MILES	RATES IN CENTS PER 100 POUNDS <sup>1</sup>									
	Classes									
	1	2	3	4	5	A	B	C	D	E
5.....	13	11	9	7	6	6	5	4	3	2
20.....	20	17	14	12	9	9	7	6	4	4
40.....	29	25	21	18	14	13	11	9	7	5
100.....	53	47	41	33	30	26	21	17	13	8
200.....	84	71	59	50	42	38	29	26	20	13
400.....	119	107	90	76	62	53	44	37	30	21
500.....	134	116	100	81	67	59	49	39	33	24

<sup>1</sup> Governed by the Western Classification and exceptions. Authority, South Dakota Distance Tariff No. 2.

## 8. STATE RATES IN NORTH DAKOTA

The maximum class rates prescribed by the Commission of North Dakota are shown in Table 11. They are neither so low as the class rates east of the Missouri

River in South Dakota nor so high as those west of that river, but they are higher than the rates within the state of Minnesota. It would seem that this intermediate scale of distance rates is as it should be. The Commission of North Dakota, which state is west of Minnesota and where traffic density is lighter, may properly prescribe rates higher than in a state where the traffic density is higher.

The preceding brief comparative study of intrastate rates in the states within Western Trunk Line Territory is necessary to give a proper basis for the consideration of interstate rates. The basis for the more important interstate rates within Western Trunk Line Territory and to and from that territory is given in the succeeding chapters of this treatise.

TABLE 11

## MAXIMUM FREIGHT RATES ON CLASSES IN NORTH DAKOTA

MILES	RATES IN CENTS PER 100 POUNDS <sup>1</sup>									
	Classes									
	1	2	3	4	5	A	B	C	D	E
5.....	12	10	8	6	5	5	4	3	3	2
20.....	21	18	14	11	8	8	7	6	5	4
40.....	30	26	20	15	12	12	11	9	8	6
100.....	42	36	27	21	17	17	15	13	11	8
200.....	72	61	47	36	29	29	25	22	18	14
400.....	110	94	72	55	44	44	39	33	28	22
500.....	120	102	78	60	48	48	42	36	30	24

<sup>1</sup> Governed by the Western Classification.



TABLE 12

DISTANCE CLASS RATES APPLICABLE BETWEEN POINTS IN IOWA  
AND POINTS IN KANSAS AND NEBRASKA

MILES	RATES IN CENTS PER 100 POUNDS <sup>1</sup>									
	Classes									
	1	2	3	4	5	A	B	C	D	E
5.....	13	11	9	7	5	5	5	4	3	3
20.....	22	18	15	11	9	9	8	7	6	4
40.....	30	25	20	15	12	12	11	9	8	6
100.....	42	35	28	21	17	17	15	13	11	8
200.....	62	52	41	31	25	25	22	19	16	12
400.....	92	77	61	46	37	37	32	28	23	18
500.....	107	90	71	54	43	43	37	32	27	21
600.....	122	102	81	61	49	49	43	37	31	24
700.....	137	115	91	69	55	55	48	41	34	27
800.....	152	128	101	76	61	61	53	46	38	30

<sup>1</sup> Governed by the Western Classification and exceptions. Authority, 28 I. C. C. Rep., 204.

## CHAPTER II

### TO MISSOURI RIVER RATE TERRITORY

There is, in all probability, no rate adjustment that has been given more consideration or that has been investigated by the Commission more thoroughly than that used in establishing rates from eastern points to Missouri River Crossings.

The boundaries of this territory are formed by the Mississippi and Missouri rivers and at a number of the more important places there have been built bridges over which the carriers cross into the adjoining states to reach their termini or to connect with other carriers. From East St. Louis, Ill., to East Dubuque, Ill., on the Mississippi River, there are thirteen points at which the railroads cross the river, while from Kansas City, Mo., to Sioux City, Ia., eight bridges span the Missouri River. The immense volume of traffic handled via these routes and the strong competition of markets for commercial supremacy in this trade have led to the designing of a peculiar rate adjustment.

While distance is always a factor in the construction of rates, and frequently a controlling factor, the elements of competition between the carriers for a portion of the traffic or between the markets of production for the supremacy of trade frequently lead to the making of adjustments in which distance is to a large extent

disregarded. In no adjustment in the country, perhaps, is this fact illustrated to better advantage than in the so-called Missouri River rate situation.

The traffic that originates in the states in the Central West which lie west of the Mississippi River is confined largely to the products of agriculture, the products of mines, and the products of animals. Manufacturing is not engaged in to an appreciable extent, and thus the people in this section are forced to look to other sections of the country for manufactured articles.

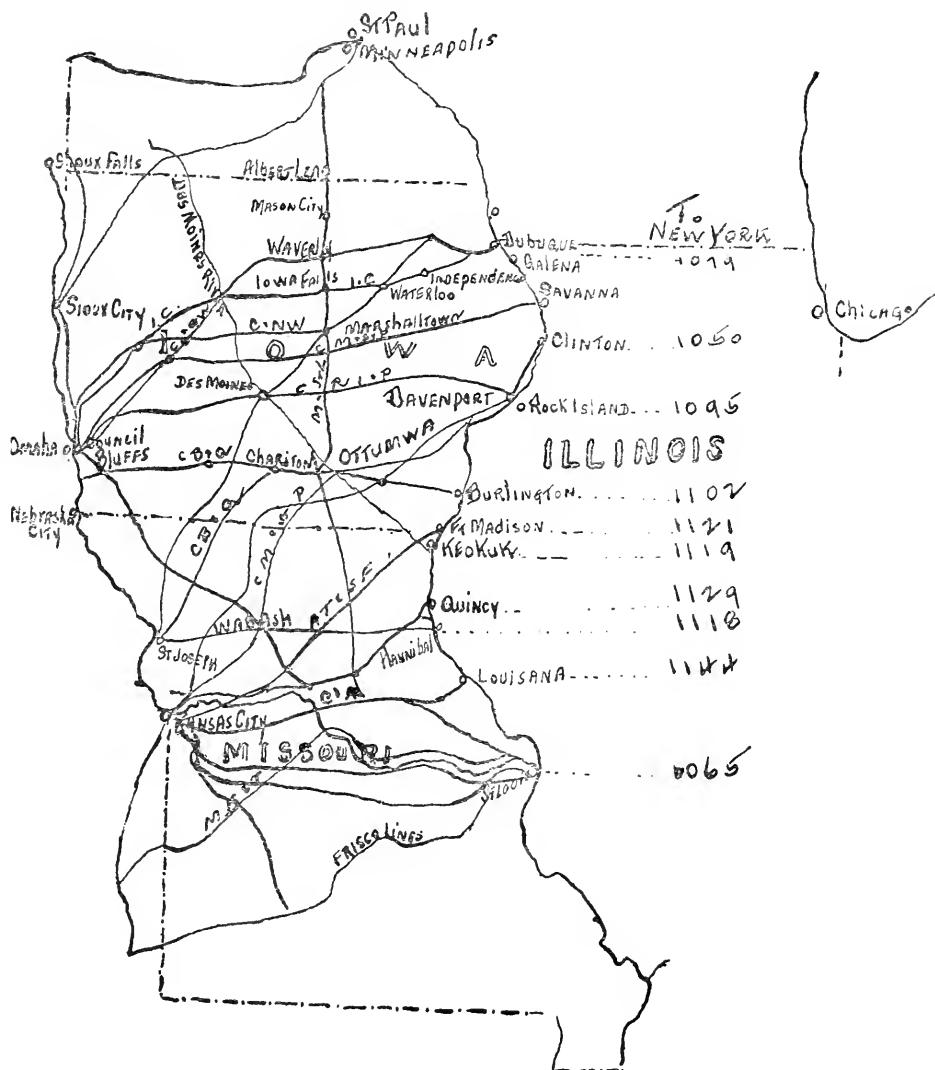
While the traffic moving between points located within this territory is of a negligible quantity as contrasted with the whole, the immense volume of traffic originating at or destined to other sections of the country forces the rates via all carriers to a common level and compels the more circuitous routes to disregard the factor of distance.

The controlling factor in the adjustment is the short-line distance between points on the Mississippi River and points on the Missouri River, the shortest being that between Hannibal, Mo., and St. Joseph, Mo., via the Wabash Railroad. The distance between these points is 195 miles. For this distance a scale of rates as follows is provided.

Classes . . . .	1	2	3	4	5	A	B	C	D	E
Rates . . . .	60	45	35	27	22	24½	19½	17	13½	11

From the map on page 18, it may be easily seen that the distance to Kansas City from other Mississippi River Crossings is greatly in excess of the distance via the short line. The distance, in fact, via some of the more circuitous routes is over 700 miles, and it necessarily follows that, unless the circuitous routes were to

# 18 FREIGHT RATES—WESTERN TERRITORY



The distances shown on this map are the short-line distances between the Mississippi River Crossings and New York. Only the more important routes between the Mississippi River and the Missouri River are shown.

equalize the rates of the direct lines, the traffic to Kansas City, for example, would be forwarded via the route via which the lowest scale of rates was in effect.

In the construction of rates from Trunk Line and New England territories, it will be recalled that the rate applying from such points of origin to East St. Louis was extended to apply to all Mississippi River Crossings on traffic destined beyond, thereby placing all river crossings on an equality.

The rates to the Mississippi River Crossings being equal, it follows with equal force that such a line as the Illinois Central, which operates from Chicago to Omaha, where it connects with some Missouri River lines in gaining an entrance to Kansas City, must of necessity place its rates via this route on a parity with those via the more direct lines in order to participate in the traffic to such Missouri River points.

Inasmuch as this procedure is followed via all routes between all Mississippi and Missouri river crossings, there is established the following scale of rates:

Classes ....	1	2	3	4	5	A	B	C	D	E
Rates ....	60	45	35	27	22	24½	19½	17	13½	11

These rates are applied as local rates between all Mississippi and Missouri river crossings.

#### 1. INTERSTATE RATES TO AND FROM STATES WITHIN WESTERN TRUNK LINE TERRITORY

The foregoing illustrates the adjustment employed within Western Trunk Line Territory as applied to Missouri River traffic. This rate so established is used as a factor in establishing rates to and from other terri-

tories under what is known as a differential basis; and before going further, it is quite proper that this term be thoroughly understood.

Usually, in such adjustments, adjoining territories are divided into groups or zones, the through rates from each zone increasing slightly as the distance from the point of destination increases. Reference to Map 12<sup>1</sup> will show that the greater portion of the State of Illinois is divided into three irregular zones or groups, which are designated as the St. Louis rate group, the Peoria rate group, and the Chicago rate group; similarly the territory lying north of the Illinois-Wisconsin and the Iowa-Minnesota state lines is divided into groups.

A comparison of the rates from these several groups will develop slight differences in all classes. For example, the rates from Peoria are the following figures higher on the first five classes than the rates from St. Louis: 10, 10, 5, 2½, 2½. The rates from Chicago are the following figures higher on the first five classes than the rates shown from St. Louis: 20, 10, 10, 5, 5.

These figures are known as differentials and must not be confused with local rates, for in many instances the rates from any point in these groups to the Mississippi River would greatly exceed these differentials. For example, the rates from Chicago to St. Louis are as follows:

Classes	.....	1	2	3	4	5	6	7	8	9	10
Rates	.....	43.3	35.2	27.5	22	17.6	16.6	15.1	13.5	10.7	9.6

The above rates are the highest rates from Chicago to any of the Mississippi River Crossings, while the lowest

<sup>1</sup> Atlas of Traffic Maps.

rates from Chicago are those to Savanna, Ill., which are as follows:

Classes .....	1	2	3	4	5	6	7	8	9	10
Rates .....	35.3	27.8	21.7	17.4	14	13.3	12.4	10.3	8.2	7.4

These rates are in all cases much higher than the differences existing between the through rates assigned to the various groups.

An adjustment such as this places the markets of the surrounding territory on a relative equality and eliminates in a great measure the disability of location of some of the important manufacturing centers. Jobbers and manufacturers in St. Louis would, by reason of the adjustment used in establishing rates within the territory, have an overwhelming advantage over those located at more distant points from the river crossings, were the adjustment not to be neutralized in some way. Shipments of first-class freight from Chicago to Kansas City, Mo., via St. Louis, for example, would be charged on the basis of the local rate, 43.3 cents, to St. Louis and 60 cents beyond, or a total of \$1.033, and the cheapest route would be through Savanna, Ill., via which the through rate would be 95.3 cents. In either case, the St. Louis merchants would have a substantial advantage and while St. Louis has the advantage of location, the benefits of which it is entitled to, the difference in the rates from St. Louis and those from other natural competing markets should not be such as to restrict the consumer to the St. Louis market alone, but, on the contrary, such as to afford him as wide a field as is possible.

Such relief is afforded by extending (blanketing) the application of the St. Louis rates (Mississippi River

Crossings) over into Illinois, by establishing rates from other large producing centers on a relative basis, and by using the rate so established as a blanket rate applicable from a large territory or zone.

### Grouping of Territory

The following shows the authorized boundaries of some of these groups or zones. In actual practice, however, the tariff or territorial directory should be consulted for this information.

#### OMAHA TO KANSAS CITY, INCLUSIVE

##### *Chicago Rate Territory*

The eastern boundary line is the line of the Chicago & Eastern Illinois Railroad, Chicago to Danville; thence to Tuscola; thence via the Illinois Central Railroad through Mattoon and Neoga to Effingham; and thence via the Vandalia Railroad to but not including East St. Louis.

Chicago rates apply west of and including Hammond and Whiting, Ind., on the Chicago Terminal Transfer Railroad, Chicago Junction Railway, Michigan Central Railroad, and Chicago & Eastern Illinois Railroad on all traffic to or from Missouri River points, Omaha to Kansas City, both inclusive, and beyond.

The western boundary line is the eastern boundary line of Peoria rate territory.

##### *Peoria Rate Territory*

The eastern boundary line is the line of the Chicago & North-Western Railway, from Galt, Ill., to Sterling; thence via the Chicago, Burlington & Quincy Railroad to



Amboy; thence via the Illinois Central Railroad, through Mendota, LaSalle, Wenona, El Paso, Bloomington, Clinton, and Decatur, to Pana; thence via the Cleveland, Cincinnati, Chicago & St. Louis Railway to Litchfield; and thence via the Chicago & Alton Railroad through Alhambra to but not including Glen Carbon; also including Ancona, on the Atchison, Topeka & Santa Fe Railway.

The western boundary line is the eastern boundary line of the Mississippi River rate territory.

*Exceptions.*—Peoria rates also apply from Ottawa, LaSalle, Streator, Marseilles, Rockford, Dixon, Freeport, Oregon, Sycamore, and DeKalb, Ill., on the following commodities (which are manufactured at those points) only: Agricultural implements, bottles, brick, buckwheat flour, building tile, clothing, ditch cleaners, glass (all kinds), harness (boxed), hay machinery, lamp chimneys, organs, pianos, post hole diggers, pumps, roofing tile, sand, sewer pipe, stoneware, strawboard, strawboard egg case fillers, straw wrapping paper, vehicles, well-boring machinery, and windmills.

Peoria rates also apply from Beloit, Wis., and Rockton, Ill., on wrapping paper and strawboard.

The above commodity rate basis applies to all points west of the Mississippi River, on and south of a line drawn from Sabula via Chicago, Milwaukee & St. Paul Railway to Tama, Iowa, and thence via Chicago & North-Western Railway to Omaha, also including Missouri River points south thereof.

### *Mississippi River Rate Territory*

The eastern boundary line is from Dubuque, Iowa, thence via the Chicago, Burlington & Quincy Railroad, to Savanna, Ill.; and thence via the Chicago, Burlington

& Quincy Railroad, through Fulton (including points on the Chicago & North-Western Railway, from Morrison to East Clinton), Denrock, Barstow, Rio, Galesburg, Abingdon, and Bushnell, to East St. Louis, Ill., including also Edwardsville and Glen Carbon; it is understood that in case the use of these rates enables parties to reduce established through rates, the said rates shall be restricted to local business.

*Exceptions.*—Mississippi River rates apply from Kewanee, Ill., on the following commodities manufactured at that point: Boilers, heating material, castings, wrought-iron pipe, and shoveling boards, C. L. and L. C. L.; scrap iron, slag, and cinders, C. L.

Mississippi River rates apply on iron and steel products from Springfield, Ill., westbound only.

Mississippi River rates apply on scrap iron to Kewanee, Ill., brick from Herman, London Mills, and Wataga, Ill., drain tile from Wataga, Ill., agricultural implements, pumps, and shoveling boards from Galva, Ill., and wheat for milling purposes to Litchfield, Jacksonville, Springfield, and Carlinville, Ill.

#### SIoux CITY

##### *Chicago Rate Territory*

The southern and eastern boundary line is the line of the Chicago & Eastern Illinois Railroad, Chicago to Danville; thence to Tuscola; thence via the Illinois Central Railroad, through Mattoon and Neoga to Effingham; and thence via the Vandalia Railroad to and including East St. Louis and St. Louis.

Chicago rates apply west of and including Hammond and Whiting, Ind., on the Chicago Terminal Transfer

Railroad, Chicago Junction Railway, Michigan Central Railroad, and Chicago & Eastern Illinois Railroad.

The western boundary line is the west bank of the Mississippi River, St. Louis to but not including Burlington, Iowa, and the eastern boundary line of the Mississippi River rate territory described below.<sup>2</sup>

### *Mississippi River Rate Territory*

The eastern boundary line is the east bank of the Mississippi River, East Burlington to East Dubuque, both inclusive.

*Exception.*—A commodity rate of 26¼ is authorized on the following commodities only: Agricultural implements classified as Class A, Western Classification; farm and common spring wagons (not pleasure or passenger vehicles), shoveling boards, pumps, and windmills, C. L., from Ottawa, Streator, Marseilles, Rockford, Dixon, Freeport, Oregon, Sycamore, DeKalb, Canton, Galesburg, Monmouth, Abingdon, Galva, and Dallas, Ill.

### MISSOURI RIVER POINTS

Table 13 shows certain points located on or adjacent to the Missouri River which are accorded the benefit of the Missouri River rates under the tariffs of the Western Trunk Line Committee. It should be understood, however, that if other committees or roads publish rates to this territory, the number of points to which the rates are applied, may be restricted or extended. For example, in the Traffic Glossary<sup>3</sup> will be found a description of

<sup>2</sup> See exception under Mississippi River rate territory above.

<sup>3</sup> In the first edition, this was published as Part 4 of "Freight Classification."

## 26      FREIGHT RATES—WESTERN TERRITORY

Missouri River crossings by the Trans-Missouri Freight Bureau and Central Freight Association which differs from that shown in Table 13.

TABLE 13

LIST OF MISSOURI RIVER STATIONS FROM AND TO WHICH RATES APPLY

NAME	GROUP <sup>1</sup>	NAME	GROUP
Argentine, Mo. ....	A	Leavenworth, Kan. ....	A
Armourdale (Kansas City), Kan. ....	A	Leeds, Iowa ....	C
Armstrong, Kan. ....	A	Level Siding, S. D. ....	D
Atchison, Kan. ....	A	Nebraska City, Neb. ....	B
Big Blue Jet., Mo. ....	A	Omaha, Neb. ....	B
Congo, Mo. ....	A	Sheffield, Mo. ....	A
Council Bluffs, Iowa. ....	B	Sioux City, Iowa. ....	C
Fort Leavenworth, Kan. ....	A	Sioux Falls, S. D. ....	D
Kansas City, Kan. ....	A	South Omaha, Neb. ....	B
Kansas City, Mo. ....	A	St. Joseph, Mo. ....	A
		Sugar Creek, Mo. ....	A

<sup>1</sup> The group letters refer to those used in connection with the rates shown in Table 15.

Through rates to the Missouri River Crossings from points in adjoining territories are constructed on the differential adjustment; that is, to establish through rates to and from Missouri River points, the differentials indicated in the footnotes of Table 14 are to be added to the rates shown in Table 15. These differentials are agreed upon by the interested carriers and in a great degree indicate the measure of competition between the various localities.



The following illustration shows how to use the table. Suppose it is desired to construct the class rates from Bloomington, Ill., to Omaha, Neb. By referring to Map 12 of the Atlas of Railway Traffic Maps, it is found that Bloomington, Ill., is in the Peoria group. Referring to Table 14 and following the figures shown opposite the Peoria group, Note number 1 is shown in the Omaha column. The Notes referred to in this part of the table are below the table. Following these directions it is found that the class rates from Bloomington to Omaha are obtained by adding to the St. Louis rates the differentials given.

Classes .....	1	2	3	4	5	A	B	C	D	E
St. Louis Rates....	0	45	35	27	22	24½	19½	17	13½	11
Differentials to be added .....	10	10	5	2½	2½	3¾	3¾	2½	2½	2½
<hr/>										
Rates from Bloom- ington to Omaha	70	55	40	29½	24½	28¼	23¼	19½	16	13½

Table 15 shows the above rates as the published rates from Bloomington (Peoria group) to Omaha.

Likewise, the rates from any other point of origin to any other point of destination is similarly obtained. First ascertain the group to which the point of origin is assigned and the differentials for that group; then add the differentials to the base rates from the Mississippi River to destination.

TABLE 15

EXTRACT FROM WESTERN TRUNK LINE TARIFF No. 1-H SHOWING  
THE CLASS RATES APPLYING BETWEEN THE VARIOUS GROUPS  
AND MISSOURI RIVER POINTS SHOWN AS TAKING THE  
ABOVE LETTERED GROUPS IN TABLE No. 1

BETWEEN	AND MISSOURI RIVER GROUPS	RATES IN CENTS PER 100 POUNDS									
		Classes									
		1	2	3	4	5	A	B	C	D	E
St. Louis...	A	60	45	35	27	22	24½	19½	17	13½	11
	B	60	45	35	27	22	24½	19½	17	13½	11
	C	80	65	45	32	27	32	27	22	18½	16
	D	83	67½	47	33½	28	33½	28	23	19½	16½
Peoria ....	A	70	55	40	29½	24½	28¼	23¼	19½	16	13½
	B	70	55	40	29½	24½	28¼	23¼	19½	16	13½
	C	80	65	45	32	27	32	27	22	18½	16
	D	83	67½	47	33½	28	33½	28	23	19½	16½
Chicago ....	A	80	65	45	32	27	32	27	22	18½	16
	B	80	65	45	32	27	32	27	22	18½	16
	C	80	65	45	32	27	32	27	22	18½	16
	D	83	67½	47	33½	28	33½	28	23	19½	16½
St. Paul....	A	85	69	48	34	28	34	28	23	20	17
	B	80	65	45	32	27	32	27	22	18½	16
	C	60	50	35	27	20	24	20	17	15	12
	D	57	47½	34	25½	20	22½	19	17	15	12
Duluth ....	A	94	76	53	37	31	37	31	25	22	19
	B	80	65	45	32	27	32	27	22	18½	16
	C	80	65	45	32	27	32	27	22	18½	16
	D	80	65	45	32	27	32	27	22	18½	16
Memphis ..	A	80	65	45	32	27	32	27	22	18½	16
	B	82	67	47	34	29	34	29	25	22½	20
	C	No published through rates.									
	D	No published through rates.									
Eau Claire.	A	90	74	53	39	33	38	32	27	23½	20
	B	90	74	53	39	33	38	32	27	23½	20
	C	80	65	45	32	25	29	25	22	18½	15½
	D	80	65	45	32	25	29	25	22	18½	15½

## 2. RATES TO AND FROM CENTRAL FREIGHT ASSOCIATION TERRITORY

The preceding pages have illustrated how, by the use of differential rates in connection with the blanket rates established between the Mississippi and Missouri river crossings, the markets of Chicago, Milwaukee, St. Paul, Duluth, etc., are enabled to compete with each other and with other markets more advantageously located.

This adjustment is restricted to Western Trunk Line Territory and with one or two exceptions is not used in establishing through rates from points located outside thereof.

It becomes necessary to establish rates from points located in other territories which in some degree will overcome the advantage that is accorded those located in Western Trunk Line Territory.

Formerly through rates from points east of the Illinois-Indiana State Line were made on the full local combination on the Mississippi River, using the East St. Louis rate to the river crossings and the 60-cent scale west. This adjustment was attacked before the Interstate Commerce Commission and after much deliberation the following scale of rates was ordered established between the Mississippi River Crossings and the Missouri River Crossings (Kansas City to Sioux City) as proportional rates to apply on traffic originating at or destined to points beyond.

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	55	41	32	24	20	22	18	15	12	10

Proportional rates between the Mississippi River and Sioux Falls are made the same differentials under the



Chicago-Sioux Falls local rates, as the East Mississippi River-Sioux City proportional rates are less than the Chicago-Sioux City local rates. For example:

Classes .....	1	2	3	4	5	A	B	C	D	E
Chicago-Sioux City .....	80	65	45	32	27	32	27	22	18½	16
Mississippi River-Sioux City .....	55	41	32	24	20	22	18	15	12	10
Differentials .....	25	24	13	8	7	10	9	7	6½	6
Chicago-Sioux Falls .....	83	67½	47	33½	28	33½	28	23	19½	16½
Differentials .....	25	24	13	8	7	10	9	7	6½	6
	58	43½	34	25½	21	23½	19	16	13	10½

Taking Indianapolis, Ind., as a representative competing market in Central Freight Association Territory and contrasting the rates through to Missouri River points under the above proportional basis with the rate in effect from Chicago, clearly shows how the adjustment equalizes the disparity which would exist under the combination of locals.

The class rates <sup>4</sup> from Indianapolis, Ind., to East St. Louis, Ill., are:

Classes .....	1	2	3	4	5	6
Rates .....	38	32½	24	16½	13½	10½

Taking a carload of machinery, which commodity is usually rated in carloads at fifth class in the Official and at Class A in the Western, the following rate is obtained:

Indianapolis to East St. Louis.....	13½ per 100 lbs.
East St. Louis to Missouri River.....	22 per 100 lbs.
Through .....	35½ per 100 lbs.

<sup>4</sup> Governed by the Official Classification.

This rate compares favorably, considering the distance and the elements of competition, with the rate of 32 cents from Chicago. If these proportional rates were not established, the through rates would be made on full combination of local rates to and from the Mississippi River. This would result in a rate 5 cents higher on this commodity from Indianapolis, Ind., than from Chicago, Ill.

In connection with these proportional rates, it should be understood that when published by the carriers the extent of their use is specifically indicated in the issues in which they are contained, and it must not be understood that they can be used to defeat such through rates as are published from certain territories. For example, the proportional rates from the river would not be applied on shipments originating at Chicago, Milwaukee, Duluth, or any other points from which differential rates are applied, but only from such points as are located beyond the limits of Western Trunk Line Territory.

### 3. RATES TO AND FROM ATLANTIC SEABOARD TERRITORY

The rates from Trunk Line and New England territories are established in the same manner as are the rates from Central Freight Association Territory. A different scale of differentials has been established by the Interstate Commerce Commission, the rates for the first five classes being 51, 38, 30, 23, 19.

Tariffs are published via all lines and routes, including the water lines operating through gulf ports based on the rates to the Mississippi River plus these figures.

## CHAPTER III

### RATES TO AND FROM MINNESOTA, MICHIGAN, AND WISCONSIN

#### 1. DEVELOPMENT

In analyzing this rate structure the short-line distance between some of the more important points will be found of interest. For example, the distance from St. Paul, Minn., to Duluth, Minn., is 153 miles; to Milwaukee, Wis., 325 miles; to Chicago, Ill., 409 miles; to Indianapolis, Ind., 592 miles; to Cincinnati, Ohio, 695 miles; to Buffalo, N. Y., 924 miles; and to New York, N. Y., 1,312 miles.

The adjustment employed in establishing rates to and from the more important points in Wisconsin, Minnesota, and the upper peninsula of Michigan reflects the effect of water competition from various territories; in fact, it is contended by the carriers that the key to this low adjustment is the abnormally low rates made by the boat lines plying the Mississippi River from St. Louis to St. Paul. Rates have been established on a scale as low as 40 cents per 100 pounds for first class, the other classes being adjusted on approximately two thirds of the all-rail routes.

Again, during the season of lake navigation, Chicago rates are applied to Duluth from various points in Trunk Line Territory. The rates via the rail-and-lake lines from New York to Chicago are as follows:

Classes .....	1	2	3	4	5	6
Rates .....	62	54	41	30	25	21

Rates to interior cities in Wisconsin and Minnesota are established on the basis of certain abitraries over the rates to Duluth and other cities. For example, the rates to St. Paul are made by adding arbitraries to the rates to Duluth as follows:

Classes .....	1	2	3	4	5	6
Rates to Duluth.....	62	54	41	30	25	21
Arbitraries .....	21	18	13	8	7	5
	—	—	—	—	—	—
Rates to St. Paul.....	83	72	54	38	32	26

## 2. DULUTH AND ST. PAUL RATE POINTS

The fact that the group to which a point may be assigned varies greatly according to where the traffic originates or is destined, makes it impracticable to lay down any general grouping which would be adapted to all territories.

The Western Trunk Line Committee, in Tariff No. 5-F, which names rates between stations in Illinois, Iowa, Missouri, and Wisconsin on the one hand and this territory on the other hand, assigns points to either the Duluth Group or the St. Paul Group, while in Tariff No. 51, which applies to Central Freight Association Territory east of the Indiana-Illinois State Line, four groups are established to cover practically the same points, viz., Winona, Duluth, St. Paul, Marquette, Michigamme, Houghton, and Hancock.

## 3. GROUPING OF TERRITORY

### (a) *Chicago, Peoria, and Mississippi River Rate Territories*

The descriptions of the Chicago, Peoria, and Mississippi River rate territories are identical with those used

in connection with the establishing of rates between these points and Missouri River territory, which is set forth in Chapter II.

Between Peoria and Peoria rate points and St. Paul, Chicago rates apply.

*(b) St. Louis Rate Territory*

On and north of the Vandalia Line, east of St. Louis to St. Elmo, and thence via the Chicago & Eastern Illinois Railroad to Altamont; thence via the Wabash Railroad to Sullivan; and thence via the Chicago & Eastern Illinois Railroad, through Arthur, Tuscola, Sidell, and Danville, to but not including Momence, Ill.

Between St. Louis and points in that group, the rates are made 105 per cent of the rates from Chicago to St. Paul.

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	63	52½	42	26	21	26	21	18	15	13½

*(c) Points in Southern Illinois*

Between points in southern Illinois lying south of the St. Louis, Peoria, and Chicago groups and St. Paul, Minn., various percentages are used in establishing rates, as is illustrated by Table 16, which gives the basis employed in making rates from stations on the Illinois Central Railroad.

#### 4. RATES TO ST. PAUL

To meet competition, the carriers of the Western Trunk Line have arbitrarily established the following scale of rates between Chicago and Chicago rate points on the one hand and St. Paul on the other hand:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	60	50	40	25	20	25	20	17	14	13

TABLE 16

BASIS FOR RATES FROM ILLINOIS CENTRAL STATIONS SOUTH OF  
ST. LOUIS TERRITORY

Caulton and Arcola.....	102%	of St. Louis rate
Humboldt, Dorans Crossing, and Mattoon.....	104%	of St. Louis rate
Magnet, Neoga, and Aetna .....	106%	of St. Louis rate
Sigel and Effingham.....	110%	of St. Louis rate
Watson, Clio, and Edgewood.....	112%	of St. Louis rate
Laclede and Farina.....	114%	of St. Louis rate
Kimmundy and Alma.....	116%	of St. Louis rate
Tonti and Odin.....	118%	of St. Louis rate
Central City and Centralia.....	120%	of St. Louis rate
Irvington and Richview.....	122%	of St. Louis rate
Ashley and Radom.....	124%	of St. Louis rate
Wallace, Siding, and Shobonier.....	106%	of St. Louis rate
Vernon and Patoka.....	112%	of St. Louis rate
Fairman and Sandoval.....	118%	of St. Louis rate
Points on the St. Louis Division south of Radom take Cairo rates.		

## 5. RATES TO DULUTH

The rates so fixed to St. Paul are used as a basis in establishing rates to Duluth. From Chicago and Peoria rate territories to Duluth rate territory, rates are made by adding differentials as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
St. Paul rates...	60	50	40	25	20	25	20	17	14	13
Differentials ....	5	5	4	3	2	3	2	2	3	3
	—	—	—	—	—	—	—	—	—	—
Rates to Duluth	65	55	44	28	22	28	22	19	17	16

From St. Louis rate territory to Duluth rate territory, rates are made by adding the following differentials to the St. Louis-St. Paul rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
St. Louis-St. Paul rates	63	52½	42	26	21	26	21	18	15	13½
Differentials .....	15	13½	11	8	5	8	5	5	5	5½
Rates to Duluth.....	78	66	53	34	26	34	26	23	20	19

Table 17 shows the rates between some of the more important groups in the state of Illinois on the one hand and both St. Paul and Duluth groups on the other hand. These rates are made in conformity with the basis just set forth.

TABLE 17

CLASS RATES BETWEEN GROUPS IN ILLINOIS AND BORDERING TERRITORY ON ONE HAND AND ST. PAUL AND DULUTH GROUPS ON THE OTHER <sup>1</sup>

BETWEEN GROUPS	AND GROUPS	RATES IN CENTS PER 100 POUNDS									
		Classes <sup>2</sup>									
		1	2	3	4	5	A	B	C	D	E
Chicago	A (St. Paul)....	60	50	40	25	20	25	20	17	14	13
	B (Duluth) ....	65	55	44	28	22	28	22	19	17	16
Peoria	A (St. Paul)....	60	50	40	25	20	25	20	17	14	13
	B (Duluth) ....	65	55	44	28	22	28	22	19	17	16
St. Louis	A (St. Paul)....	63	52	42	26	21	26	21	18	15	13
	B (Duluth) ....	78	66	53	34	26	34	26	23	20	19
Cairo	A (St. Paul)....	80	65	52	33	26	33	26	22	19	17
	B (Duluth) ....	80	66	53	34	26	34	26	23	20	19
Dubuque	A (St. Paul)....	55	45	35	22½	17	20	17½	15	12	10
	B (Duluth) ....	65½	54½	43½	27	22	27	22	18½	15½	14
Charleston	A (St. Paul)....	67	55½	44½	27½	22½	27½	22½	19	16	14½
	B (Duluth) ....	80	66	53	34	26	34	26	23	20	19
Shobonier	A (St. Paul)....	69½	57½	46	28½	23	28½	23	20	16½	15
	B (Duluth) ....	80	66	53	34	26	34	26	23	20	19
Toledo	A (St. Paul)....	70½	59	47	29	23½	29	23½	20	17	15
	B (Duluth) ....	80	66	53	34	26	34	26	23	20	19
Vernon	A (St. Paul)....	72	60	48	29½	24	29½	24	20½	17	15
	B (Duluth) ....	80	66	53	34	26	34	26	23	20	19
Laclede	A (St. Paul)....	73	61	48½	30	24	30	24	21	17	15
	B (Duluth) ....	80	66	53	34	26	34	26	23	20	19
Kinmundy	A (St. Paul)....	74	62	49	30	25	30	25	21	17	16
	B (Duluth) ....	80	66	53	34	26	34	26	23	20	19
Sandoval	A (St. Paul)....	75½	63	50½	31	25	31	25	21	18	16
	B (Duluth) ....	80	66	53	34	26	34	26	23	20	19
Centralla	A (St. Paul)....	77	64	51	31	25	31	25	22	18	16
	B (Duluth) ....	80	66	53	34	26	34	26	23	20	19
Irvington	A (St. Paul)....	78	65	52	32	26	32	26	22	18	16
	B (Duluth) ....	80	66	53	34	26	34	26	23	20	19
Mt. Vernon	A (St. Paul)....	78	65	52	32	26	32	26	22	18	16
	B (Duluth) ....	80	66	53	34	26	34	26	23	20	19

<sup>1</sup> Freight Tariff No. 5-F of the Western Trunk Lines.

<sup>2</sup> Governed by the Western Classification.

6. RATES FROM AND TO POINTS EAST OF ILLINOIS-INDIANA  
STATE LINE

The rates between St. Paul and Duluth and points in Central Freight Association Territory are not made upon any general basis. Combinations of local rates through various junctions are sometimes employed and in other instances the rates are arbitrarily made by the interested carriers.

Table 18 shows the rates to some of the more important points in Central Freight Association Territory.

TABLE 18

CLASS RATES FROM THE WINONA, DULUTH, MARQUETTE, AND  
HOUGHTON GROUPS TO POINTS IN C. F. A. TERRITORY EAST  
OF THE ILLINOIS-INDIANA STATE LINE

FROM GROUPS	To	RATES IN CENTS PER 100 POUNDS					
		Classes <sup>1</sup>					
		1	2	3	4	5	6
Winona	Indianapolis, Ind.	76	65	48	32	26	21
	Columbus, Ohio	86	71	53	36	30	24
	Youngstown, Ohio	87	72	54	37	31	25
	Pittsburgh, Pa.	89	74	56	39	33	27
Duluth	Indianapolis, Ind.	81	69	51	35	29	23
	Columbus, Ohio	91	75	56	39	33	26
	Youngstown, Ohio	93	77	58	40	34	27
	Pittsburgh, Pa.	95	79	60	42	36	29
Marquette	Indianapolis, Ind.	75	65	48	32	26	23
	Columbus, Ohio	75	63	45	30	26	22
	Youngstown, Ohio	77	64	47	31	26	23
	Pittsburgh, Pa.	79	66	49	33	28	25
Houghton	Indianapolis, Ind.	81	69	51	35	29	23
	Columbus, Ohio	91	75	56	39	33	26
	Youngstown, Ohio	93	77	58	40	34	27
	Pittsburgh, Pa.	95	79	60	42	36	29

<sup>1</sup> Governed by the Official Classification and exceptions, Freight Tariff No. 51 of the Western Trunk Lines.



## 7. PROPORTIONAL RATES

Table 19 shows certain proportional rates applying from the St. Paul and Duluth groups to the Ohio River Crossings and lower Mississippi River points. These rates are established to enable the markets to compete for trade with the more advantageously located markets of St. Louis and Chicago. This they would be unable to do were the combination of local rates to and from Chicago or St. Louis to be applied.

TABLE 19

CLASS RATES FROM THE ST. PAUL AND DULUTH GROUPS TO OHIO RIVER CROSSINGS, MEMPHIS, NEW ORLEANS, JACKSON, MISS., AND MERIDIAN, MISS.

FROM GROUPS	TO	RATES IN CENTS PER 100 POUNDS											
		Classes <sup>1</sup>											
		1	2	3	4	5	A	B	C	D	E		
St. Paul	Ohio River Crossings <sup>2</sup>	80	65	52	33	26	33	26	22	19	17		
Duluth	Ohio River Crossings <sup>2</sup>	80	66	53	34	26	34	26	23	20	19		
St. Paul	Memphis, Tenn. New Orleans, La. <sup>4</sup> Jackson-Meridian, Miss.	Classes <sup>1</sup>											
		1	2	3	4	5	6	A	B	C	D	E	Per Bbl.
		115	90	78	61	51	44	31	43	( <sup>3</sup> )	( <sup>3</sup> )	42	67 ( <sup>3</sup> )
		137	111	87	70	54	49	39	51	( <sup>3</sup> )	( <sup>3</sup> )	42	.. ( <sup>3</sup> )
Duluth		148	124	103	85	70	62	51	53	( <sup>3</sup> )	( <sup>3</sup> )	56	71 ( <sup>3</sup> )

<sup>1</sup> The Western Classification governs the Ohio River rates and the Southern Classification governs through rates from St. Paul to Mississippi Valley points named in the table.

<sup>2</sup> To Columbus and Paducah, Ky., add 2 cents to the rates given to other Ohio River Crossings.

<sup>3</sup> These classes include grain products but the rates on grain products are carried in commodity tariffs.

<sup>4</sup> And other points south of Memphis in the New Orleans group.

## CHAPTER IV

### **RATES BETWEEN STATIONS IN MINNESOTA AND WISCONSIN AND STATIONS IN IOWA AND MISSOURI**

For rate-making purposes this territory is usually divided into five groups on the one hand and eleven groups on the other.

The five groups on the St. Paul end are St. Paul Group, Winona Group, New Ulm Group, Duluth Group, and Eau Claire Group.

The other eleven groups are Moberly Group, Mexico Group, Manning Group, Jefferson City Group, Maquoketa Group, Des Moines Group, Centerville Group, Cedar Rapids Group, Sheldon Group, Mason City Group, and Ft. Dodge Group.

The latter groups, for the most part, are directly south of St. Paul and in the states of Iowa and Missouri.

The rates now in effect between points in these groups, as published in Western Trunk Line Tariff No. 13-G, are shown in Table 20. The following pages of this chapter will be devoted to a discussion of their construction.

As is the case with regard to the construction of rates to and from the Missouri River Crossings, the adjoining territories are subdivided, into groups as zones and blanket rates are established therefrom: the destination groups, however, instead of being restricted to a comparatively few points, take in quite a large area.

TABLE 20  
RATES FROM POINTS IN WISCONSIN AND MINNESOTA TO POINTS IN  
IOWA AND MISSOURI

BETWEEN POINTS IN THE FOLLOW- ING GROUPS	AND POINTS IN THE FOLLOWING GROUPS IN IOWA	RATES IN CENTS PER 100 POUNDS										
		Classes <sup>1</sup>										
		1	2	3	4	5	A	B	C	D	E	
St. Paul	1 (Moberly)	60	50	40	25	20	25	20	17	14	13	
	2 (Mexico)	63	52½	42	26	21	26	21	18	15	13½	
	3 (Manning)	80	65	45	32	27	32	27	22	18½	16	
	4 (Jefferson City)	85	69	48	34	28	34	28	23	20	17	
	5 (Maquoketa)	60	50	40	25	20	25	20	17	14	13	
	6 (Des Moines)	60	50	40	25	20	25	20	17	14	13	
	7 (Centerville)	63	52½	42	26	21	26	21	18	15	13½	
	8 (Cedar Rapids)	60	50	40	25	20	25	20	17	14	13	
	9 (Sheldon)	55	47	34	25½	20	22	19	17	14	10	
	10 (Mason City)	43	35	28	21	17	19	15	12½	11	9	
	11 (Fort Dodge)	55	42	32	22	18	22	17	14	13	10	
Winona	1 (Moberly)	60	50	40	25	20	25	20	17	14	13	
	2 (Mexico)	63	52½	42	26	21	26	21	18	15	13½	
	3 (Manning)	80	65	45	32	27	32	27	22	18½	16	
	4 (Jefferson City)	80	65	45	32	27	32	27	22	18½	16	
	5 (Maquoketa)	55	46	35	25	18	25	18	15	12	11	
	6 (Des Moines)	60	50	40	25	20	25	20	17	14	13	
	7 (Centerville)	63	52½	42	26	21	26	21	18	15	13½	
	8 (Cedar Rapids)	60	50	40	25	20	25	20	17	14	13	
	9 (Sheldon)	55	47	34	25½	20	22	19	17	14	10	
	10 (Mason City)	43	35	28	21	17	19	15	12½	11	9	
	11 (Fort Dodge)	55	42	32	22	18	22	17	14	13	10	
New Ulm	2 (Mexico)	72	56	43	30	24	28	24	20	17	15	
	3 (Manning)	80	65	45	32	27	32	27	22	18½	16	
	4 (Jefferson City)	85	69	48	34	28	34	28	23	20	17	
	6 (Des Moines)	63	52½	42	26	21	25½	21	18	15	13	
	7 (Centerville)	65	55	43	27	22	25½	22	19	15	14	
	8 (Cedar Rapids)	63	52½	42	26	21	25½	21	18	15	13	
	9 (Sheldon)	60	50	35	27	20	24	20	17	15	12	
	10 (Mason City)	53	42	33	24	19	20	17	15	13½	10	
	11 (Fort Dodge)	63	52½	42	26	21	25½	21	18	15	13	
Duluth	1 (Moberly)	78	66	53	34	26	34	26	23	20	19	
	2 (Mexico)	78	66	53	34	26	34	26	23	20	19	
	3 (Manning)	80	65	45	32	27	32	27	22	18	16	
	5 (Maquoketa)	65	55	44	28	22	28	22	19	17	16	
	6 (Des Moines)	78	62	44	31	26	31	26	21	18	16	
	7 (Centerville)	78	65	45	32	26	32	26	22	18	16	
	8 (Cedar Rapids)	65	55	44	28	22	28	22	19	17	16	
	9 (Sheldon)	80	65	45	32	27	32	27	22	18	16	
	10 (Mason City)	65	55	43	28	22	28	22	19	17	16	
	11 (Fort Dodge)	78	62	44	31	26	31	26	21	18	16	
Eau Claire	1 (Moberly)	65	55	44	28	22	28	22	19	17	16	
	2 (Mexico)	73	61½	50	33	26	32	26	23	20	17½	
	3 (Manning)	80	65	45	32	27	32	27	22	18½	16	
	4 (Jefferson City)	95	78	56	41	34	40	33	28	25	21	
	5 (Maquoketa)	60	50	40	25	20	25	20	17	14	13	
	6 (Des Moines)	65	55	44	28	22	28	22	19	17	16	
	7 (Centerville)	73	61½	50	33	27	32	26	23	20	17½	
	8 (Cedar Rapids)	60	50	40	25	20	25	20	17	14	13	
	9 (Sheldon)	80	65	45	32	25	29	25	22	18½	15½	
	10 (Mason City)	60	50	40	25	20	25	20	17	14	13	
	11 (Fort Dodge)	60	43	23	27	22	26	20	18	17	14	

<sup>1</sup> Governed by the Western Classification.

1. DESCRIPTION OF NORTHERN GROUPS—ST. PAUL-IOWA  
TERRITORY*(a) St. Paul Group*

Rates between St. Paul Group and Group 1 (Moberly) are made the same as St. Paul-Chicago rates.

Rates between St. Paul Group and Group 2 (Mexico) are made the same as St. Paul-St. Louis rates.

Rates between St. Paul Group and Group 3 (Manning) are made the same as St. Paul-Omaha rates.

Rates between St. Paul Group and Group 4 (Jefferson City) are made the same as St. Paul-Kansas City rates.

Rates between St. Paul Group and Group 5 (Maquoketa) are made the same as St. Paul-Chicago rates.

Rates between St. Paul Group and Group 6 (Des Moines) are made the same as St. Paul-Chicago rates or Omaha rates, whichever are lower, observing Cedar Rapids rates as maxima.

Rates between St. Paul Group and Group 7 (Centerville) are made the same as St. Paul-St. Louis rates or Omaha rates, whichever are lower.

Rates between St. Paul Group and Group 8 (Cedar Rapids) are made the same as St. Paul-Chicago rates or Omaha rates, whichever are lower.

Rates between St. Paul Group and Group 9 (Sheldon) are made the same as St. Paul-Sioux City rates or Omaha rates, whichever are lower.

Rates between St. Paul Group and Group 10 (Mason City) are made the same as St. Paul-Chicago rates, Sioux City rates, or Omaha rates, whichever are lowest, but not to exceed Des Moines rates.

Rates between St. Paul Group and Group 11 (Ft. Dodge) are made the same as St. Paul-St. Louis rates,

Sioux City rates, or Omaha rates, whichever are lowest, but not to exceed Des Moines rates.

*(b) Winona Group*

Rates between Winona Group and Group 1 (Moberly) are made the same as St. Paul-Chicago rates.

Rates between Winona Group and Group 2 (Mexico) are made the same as St. Paul-St. Louis rates.

Rates between Winona Group and Group 3 (Manning) are made the same as St. Paul-Omaha rates.

Rates between Winona Group and Group 4 (Jefferson City) are made the same as St. Paul-Kansas City rates or Chicago-Kansas City rates, whichever are lower.

Rates between Winona Group and Group 5 (Maquoketa) are made the same as St. Paul-Chicago rates.

Rates between Winona Group and Group 6 (Des Moines) are made the same as St. Paul-Chicago rates or St. Paul-Omaha rates, whichever are lower.

Rates between Winona Group and Group 7 (Centerville) are made the same as St. Paul-St. Louis rates or St. Paul-Omaha rates, whichever are lower.

Rates between Winona Group and Group 8 (Cedar Rapids) are made the same as St. Paul-Chicago rates or St. Paul-Omaha rates, whichever are lower.

Rates between Winona Group and Group 9 (Sheldon) are made the same as St. Paul-Sioux City rates or St. Paul-Omaha rates, whichever are lower.

Rates between Winona Group and Group 10 (Mason City) are made the same as St. Paul-Chicago rates, St. Paul-Sioux City rates, or St. Paul-Omaha rates, whichever are lowest, but not to exceed Des Moines rates.

Rates between Winona Group and Group 11 (Ft.

Dodge) are made the same as St. Paul-St. Louis rates, St. Paul-Sioux City rates, or St. Paul-Omaha rates, whichever are lowest, but not to exceed Des Moines rates.

*(c) New Ulm Group*

Rates between New Ulm Group and Group 3 (Manning) are made the same as St. Paul-Omaha rates.

Rates between New Ulm Group and Group 4 (Jefferson City) are made the same as St. Paul-Kansas City rates.

Rates between New Ulm Group and Group 9 (Sheldon) are made the same as St. Paul-Sioux City rates or St. Paul-Omaha rates, whichever are lower.

*(d) Duluth Group*

Rates between Duluth Group and Group 1 (Moberly) are made the same as Duluth-Chicago rates.

Rates between Duluth Group and Group 2 (Mexico) are made the same as Duluth-St. Louis rates.

Rates between Duluth Group and Group 3 (Manning) are made the same as Duluth-Omaha rates.

Rates between Duluth Group and Group 4 (Jefferson City) are made the same as Duluth-Kansas City rates.

Rates between Duluth Group and Group 5 (Maquoketa) are made the same as Duluth-Chicago rates.

Rates between Duluth Group and Group 6 (Des Moines) are made the same as Duluth-Chicago rates or Duluth-Omaha rates, whichever are lower, but not to exceed the Cedar Rapids rates.

Rates between Duluth Group and Group 7 (Center-ville) are made the same as Duluth-St. Louis rates or Duluth-Omaha rates, whichever are lower.

Rates between Duluth Group and Group 8 (Cedar Rapids) are made the same as Duluth-Chicago rates or Duluth-Omaha rates, whichever are lower.

Rates between Duluth Group and Group 9 (Sheldon) are made the same as Duluth-Sioux City rates or Duluth-Omaha rates, whichever are lower.

Rates between Duluth Group and Group 10 (Mason City) are made the same as Duluth-Sioux City rates or Duluth-Omaha rates, whichever are lower, but not to exceed Des Moines rates.

Rates between Duluth Group and Group 11 (Ft. Dodge) are made the same as Duluth-St. Louis rates, Duluth-Sioux City rates, or Duluth-Omaha rates, whichever are lowest, but not to exceed Des Moines rates.

*(e) Eau Claire Group*

Rates between Eau Claire Group and Group 1 (Moberly) are made the following arbitraries over St. Paul-Chicago rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Arbitraries (in cents)....	10	9	8	7	6	6	5	5	5	4

Rates between Eau Claire Group and Group 2 (Mexico) are made the following arbitraries over St. Paul-St. Louis rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Arbitraries (in cents)....	10	9	8	7	6	6	5	5	5	4

Rates between Eau Claire Group and Group 3 (Manning) are made the following arbitraries over St. Paul-Omaha rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Arbitraries (in cents)....	10	9	8	7	6	6	5	5	5	4

Rates between Eau Claire Group and Group 4 (Jefferson City) are made the following arbitraries over St. Paul-Kansas City rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Arbitraries (in cents)....	10	9	8	7	6	6	5	5	5	4

Rates between Eau Claire Group and Group 5 (Maquoketa) are made the same as St. Paul-Chicago rates.

Rates between Eau Claire Group and Group 6 (Des Moines) are made the following arbitraries over St. Paul-Ottumwa rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Arbitraries (in cents)....	10	9	8	7	6	6	5	5	5	4

Rates between Eau Claire Group and Group 7 (Centerville) are made the following arbitraries over St. Paul-Des Moines rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Arbitraries (in cents)....	10	9	8	7	6	6	5	5	5	4

Rates between Eau Claire Group and Group 8 (Cedar Rapids) are made the same as St. Paul-Chicago rates.

Rates between Eau Claire Group and Group 9 (Sheldon) are made the following arbitraries over St. Paul-Sioux City rates, but not to exceed Eau Claire-Omaha rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Arbitraries (in cents)....	20	15	10	5	5	5	5	5	3½	3½

Rates between Eau Claire Group and Group 10 (Mason City) are made the same as St. Paul-Chicago rates, but



not to exceed Eau Claire-Sioux City rates or Des Moines rates.

Rates between Eau Claire Group and Group 11 (Ft. Dodge) are made the following arbitraries over St. Paul-Ft. Dodge rates, but not to exceed Eau Claire-Sioux City rates or Eau Claire-Des Moines rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Arbitraries (in cents)....	10	9	8	7	6	6	5	5	5	4

Duluth rates are the maximum rates from Eau Claire Group to all groups above-mentioned, except Group 7 (Centerville) and Group 9 (Sheldon).

## 2. DESCRIPTION OF NORTHERN GROUPS—FOX RIVER- IOWA TERRITORY

This territory is usually divided into three groups: the Oshkosh Group, Eau Claire Group, and Marinette Group.

### *(a) Oshkosh Group*

Rates between Chicago territory and Oshkosh Group points are made the same as Chicago-St. Paul rates.

Rates between Peoria territory and Oshkosh Group points are made the same as Peoria-St. Paul rates.

Rates between St. Louis territory and Oshkosh Group points are made the same as St. Louis-St. Paul rates.

Rates between Cairo territory and Oshkosh Group points are made the same as Cairo-St. Paul rates.

### *(b) Eau Claire Group*

Rates between Chicago territory and Eau Claire Group points are made the same as Chicago-St. Paul rates.

Rates between Peoria territory and Eau Claire Group points are made the same as Peoria-St. Paul rates.

Rates between St. Louis territory and Eau Claire Group points are made the same as St. Louis-St. Paul rates.

Rates between Cairo territory and Eau Claire Group points are made the same as Cairo-St. Paul rates.

*(c) Marinette Group*

Rates between Chicago territory and Marinette Group points are made the same as Chicago-Duluth rates.

Rates between Peoria territory and Marinette Group points are made the same as Peoria-Duluth rates.

Rates between St. Louis territory and Marinette Group points are made the same as St. Louis-Duluth rates.

Rates between Cairo territory and Marinette Group points are made the same as Cairo-Duluth rates.

### 3. DESCRIPTION OF NORTHERN GROUPS—LA CROSSE-IOWA TERRITORY

Rates between Chicago and La Crosse territories are made the same as Chicago-St. Paul rates.

Rates between Springfield and La Crosse territories are made the same as Peoria-St. Paul rates.

Rates between St. Louis and La Crosse territories are made the same as Chicago-La Crosse rates.

Rates between Danville and La Crosse territories are made the same as East St. Louis-St. Paul rates.

### 4. DESCRIPTION OF SOUTHERN GROUPS

The following is a partial description of the groups outlined under St. Paul-Iowa Territory, or Territory No. 5.

*Group 1*

All points on and east of the line of the Chicago & North-Western Railway, from Searville to Mason City; thence via the Iowa Central Railway through Oskaloosa to Albia; thence via the Albia and Centerville Railway to Moravia; thence via the Wabash Railroad to Moberly; and thence via the Missouri, Kansas & Texas Railway to Hannibal.

*Group 2*

All points west or south of Group 1 and on and east of the line of the Chicago & North-Western Railway, from Elmore to Luverne; thence via the Minneapolis & St. Louis Railroad through Angus to Des Moines; thence via the Chicago, Rock Island & Pacific Railway to Indianola; thence via the Chicago, Burlington & Quincy Railroad to but not including Albia; thence south of Moravia on the Albia & Centerville Railway to Centerville; thence on and north of the Chicago, Burlington & Quincy Railroad to but not including Glenwood Junction; thence commencing at the first station east of Moberly via the Wabash Railroad to St. Louis, Mo., including the Columbia branch of the Wabash Railroad; and thence following the west bank of the Mississippi River to but not including Hannibal, Mo.

*Group 3*

Stations west of Group 2 and south of the Iowa-Minnesota state line to its intersection with the Illinois Central Railroad; thence via the Illinois Central Railroad to and including Hills, Minn.; thence via the Great Northern

Railway to and including Sherman, S. D.; thence on and east of the Great Northern Railway to Sioux Falls, S. D.; thence via the Chicago, Milwaukee & St. Paul Railway through Canton, S. D., Hawarden, Iowa, and Elk Point, S. D., to Sioux City, Iowa; and thence on and north of the Illinois Central Railroad to but not including Ft. Dodge, Iowa.

*Group 4*

Stations west of Group 2 and south of Group 3, thence on and east of the Chicago, St. Paul, Minneapolis & Omaha Railway, from a point south of Sioux City, Iowa, to Omaha, Neb.; thence via the Missouri Pacific Railway to Nebraska City, Neb.; thence on and north of the line of the Chicago, Burlington & Quincy Railroad, via Hamburg, Iowa, to Shenandoah, Iowa; thence via the Wabash Railroad to Burlington Junction, Mo.; thence via the Chicago, Burlington & Quincy Railroad through Clarinda and Diagonal, Iowa, to Corydon, Iowa; thence via an imaginary line to Seymour, Iowa, on the Chicago, Rock Island & Pacific Railway; and thence via the Chicago, Rock Island & Pacific Railway to but not including Centerville, Iowa.

*Group 5*

Stations south and west of the foregoing described groups, on and east of the Missouri River, and on and north of the St. Louis, Kansas City & Colorado Railroad from Kansas City to St. Louis, Mo.

## CHAPTER V

### INTERSTATE RATES TO INTERIOR IOWA CITIES

#### 1. CLASS RATES

In an earlier chapter of this treatise it was explained how competition had forced an unusually low scale of rates to be established between Mississippi River Crossings and Missouri River Crossings. The adjustment now taken up is that dealing with the establishment of rates to interior points within the state of Iowa, which are fixed in a measure by the Mississippi River-Missouri River rates.

The local rates on traffic moving between points in Iowa including points on the west bank of the Mississippi River and points on the east bank of the Missouri River are those established by the state of Iowa, and are shown in Chapter I. Rates from Central Freight Association and Trunk Line territories to the Mississippi River are as a proportional proposition (that is, on traffic destined beyond) and are applied to all east and west bank points on the Mississippi River from St. Louis, Mo., to Dubuque, Iowa. It follows that in some cases the Iowa scale is used in certain combinations on interstate traffic. Under the local tariff, however, the rates to interior Iowa points from the several river crossings vary as the distance increases; that is to say, the same rate would not be obtained from Davenport, Iowa, to Ottumwa, Iowa, as would be obtained from Burlington, for the reason that the distance from the latter point is considerably less.

## 52      FREIGHT RATES—WESTERN TERRITORY

In so far as the construction of through rates from the Chicago, Peoria, and St. Louis groups are concerned, it may be stated that Table 21 shows the rates between stations in these groups and certain stations in Iowa on the Illinois Central Railroad west of Dubuque towards Omaha, Neb.

### TABLE 21

THROUGH RATES BETWEEN POINTS IN IOWA AND STATIONS IN  
ILLINOIS IN THE CHICAGO, PEORIA, AND ST. LOUIS GROUPS

BETWEEN	AND GROUPS	RATES IN CENTS PER 100 POUNDS Classes <sup>1</sup>									
		1	2	3	4	5	A	B	C	D	E
Julien, Ia.	Chicago	43	34	26	20	16	17	14.5	12	10	9
	Peoria	43	34	26	20.5	16.5	17	14.5	12.5	10	9
	St. Louis	48.5	39.5	31.5	24	19	19.5	16	14	12	10.5
Peosta, Ia.	Chicago	45	36	27	20	16	18	15	12	10	9
	Peoria	45	36	27	20.5	16.5	18	15	12.5	10	9
	St. Louis	49	39½	31.5	24	19	19.5	16	14	12	10.5
Epworth, Ia.	Chicago	45	36	27	20	16	18	15	12	10	9
	Peoria	45	36	27	20.5	16.5	18	15	12½	10	9
	St. Louis	49.5	39.5	31.5	24	19	19½	16	14	12	10.5
Farley, Ia.	Chicago	45	36	27	20	16	18	15	12	10	9
	Peoria	45	36	27	20.5	16.5	18	15	12½	10	9
	St. Louis	50	40	31.5	24	19	19.5	16	14	12	10.5
Dyersville, Ia.	Chicago	48	38	29	22	17	19	16	13	11	10
	Peoria	48	38	29	22	17	19	16	13	11	10
	St. Louis	52	41.5	31.5	24	19	19½	16½	14	12	10½
Earlville, Ia.	Chicago	50	40	30	23	18	20	16	14	11	10
	Peoria	50	40	30	23	18	20	16	14	11	10
	St. Louis	54	43½	32½	24	19	22	17½	15	12½	10.5
Manchester, Ia.	Chicago	52	42	31	23	18	21	17	14	12	10
	Peoria	52	42	31	23	18	21	17	14	12	10
	St. Louis	55	44½	33	24	19	22½	18	15	13	10½
Masonville, Ia.	Chicago	54	43	32	24	19	22	18	15	12	11
	Peoria	54	43	32	24	19	22	18	15	12	11
	St. Louis	58½	47.5	35.5	25	19	24	18½	15.5	13	11.5
Winthrop, Ia.	Chicago	54	43	32	24	19	22	18	15	12	11
	Peoria	54	43	32	24	19	22	18	15	12	11
	St. Louis	58½	47.5	35.5	25	19	24	18.5	15.5	13	11.5
Independ- ence, Ia.	Chicago	54	43	32	24	19	22	18	15	12	11
	Peoria	54	43	32	24	19	22	18	15	12	11
	St. Louis	60.5	50	37	25.5	21	24.5	20	17	14	12½
Waterloo, Ia.	Chicago	56	45	34	25	20	22	18	15	13	11
	Peoria	56	45	34	25	20	22	18	15	13	11
	St. Louis	61	50	37	26	21	24½	20	17	14	12½

TABLE 21—Continued

BETWEEN	AND GROUPS	RATES IN CENTS PER 100 POUNDS Classes <sup>1</sup>									
		1	2	3	4	5	A	B	C	D	E
Cedar Falls, Ia.	Chicago	57	46	34	25	20	23	19	16	13	11
	Peoria	57	46	34	25	20	23	19	16	13	11
	St. Louis	61	50½	37	26	21	25	20	17	14	12½
Aplington, Ia.	Chicago	59	47	35	26	21	24	19	16	13	12
	Peoria	59	47	35	26	21	24	19	16	13	12
	St. Louis	61	51	37.5	26	21	25	20	17	14	13
Alden, Ia.	Chicago	62	50	37	28	22	25	20	17	14	12
	Peoria	62	50	37	28	22	25	20	17	14	12
	St. Louis	63.5	51.5	39.5	28	22.5	26.5	21.5	17.5	15.5	13
Webster City, Ia.	Chicago	64	51	38	29	22	26	21	18	14	13
	Peoria	64	51	38	29	22	26	21	18	14	13
	St. Louis	68	52.5	40	29	22.5	27.5	22	18	15½	13½
Tara, Ia.	Chicago	68	54	41	31	24	27	22	19	15	14
	Peoria	68	54	41	31	24	27	22	19	15	14
	St. Louis	70	54	41.5	31	24.5	28	23	19½	16	14
Sherwood, Ia.	Chicago	73	58	44	32	26	29	24	20	16	15
	Peoria	73	58	44	32	26	29	24	20	16	15
	St. Louis	75.5	59	44	32	26	30	25	20.5	17	15.5
Brogan, Ia.	Chicago	78	62	45	32	27	31	25	22	18	16
	Peoria	78	62	45	32	27	31	25	22	18	16
	St. Louis	79	63.5	45	32	27	31.5	26	22	18.5	16
Dow City, Ia.	Chicago	Missouri River rates <sup>2</sup>									
	Peoria										
	St. Louis										

<sup>1</sup> Governed by the Western Classification.<sup>2</sup> See Chapter II.

The Interstate Commerce Commission, in dealing with these rates, stated as follows:

The principal carriers in the state of Iowa have their own rails to Chicago and the rates here dealt with are therefore for the most part local rates of individual carriers. But all the rates are specific rates and are not made by a combination on the river as is the case with the rates applicable on through traffic from points east of the Indiana-Illinois state line.<sup>1</sup>

In reviewing the adjustment applied on traffic from points east of the Illinois state line the Interstate Commerce Commission stated:

\* \* \* The most important traffic involved on the record in this proceeding is to and from the east, and for convenience the

<sup>1</sup> 28 I. C. C. Rep., 77.

above-entitled complaints are referred to as the interior Iowa case. \* \* \*

The reductions that we have required in the preceding case in the local rates to the upper Mississippi River crossings, will result necessarily in reductions in the through freight charges of the interior towns; such a readjustment must follow in order to avoid through charges in excess of the sum of the intermediate rates on the river. Nevertheless these lower rates of the interior towns will not satisfy the shippers on whose behalf the complaints now before us were filed. The record indicates the existence of a substantial contest for commercial supremacy between the river towns and points in the interior, and under the present rate adjustment the latter are at something of a disadvantage, which will be increased by the reductions in the rates to the river unless the adjustment is relieved by material reductions herein in the rates to and from the interior.

The interior towns have no joint through class rates to and from the territory east of the Indiana-Illinois state line; on such traffic the through charges are based on the lowest available combination of intermediate rates, and this usually makes on the Mississippi River. But the through charges are made up and published in an unusual form which must be fully understood in order to arrive at intelligent conclusions with respect to the various questions here before us. With that end in view it may be well first to make a brief reference to the construction and recent history of the rates from the east to the Missouri River:

As we have seen, the upper Mississippi River towns take higher rates from the east than the lower crossings. In this respect the Missouri River towns stand on a different basis. All points on that river, from Kansas City on the south to Omaha and Sioux City on the north, have been on a parity of rates for many years with respect to traffic to and from the east. Traffic to those points may be said to be competitive in the sense that a number of the carriers serve both Kansas City and Omaha; but the general conditions are such as to require us to regard the through charges in effect at this time to the Missouri River as normal and reasonable through rates, unaffected by any transportation conditions tending to depress their general level. \* \* \* The Mississippi River from St. Louis on the south to Dubuque at the



north, a distance of about 350 miles, is crossed at a number of different points known as the upper and lower river crossings. While the northern and southern routes are on a parity at the Missouri River, as just stated, the through charges are, and for many years have been, made up on a different basis. To St. Louis and the other lower crossings, as we have seen in the previous case, class rates are applied from New York City on an 88-cent scale. Besides being the local rates to St. Louis this scale of rates applies as proportional rates on through traffic to the Missouri River. From the lower crossings to all points on the Missouri River there is a local 60-cent scale of class rates, which was applied also to through movements until, in *Burnham-Hannam-Munger Co. v. C., R. I. & P. Ry. Co.*, 14 I. C. C., 299, we held that the through charges ought to be somewhat less than the sum of the intermediate rates and thereupon required the carriers to establish between the rivers proportional rates on through traffic on a scale of 51 cents per 100 pounds. At that time the first-class rate to East St. Louis was 87 cents and, with the local 60-cent rate beyond, the through charge to the Missouri River was \$1.47. Subsequently St. Louis was given an 88-cent scale of class rates, which, together with the proportional scale of 51 cents, required under our order in the case cited, made a through charge on first-class traffic over the lower routes of \$1.39 per 100 pounds. The present through charges to Missouri River points over the lower routes are on a scale of \$1.43 as hereinafter explained.

The local rates to the northern Mississippi River crossings have been and now are fixed on a 97-cent scale, and the same 60-cent scale of local rates between the rivers has been and now is in effect. In order therefore that the northern routes might be on a parity with the southern routes on through traffic to the Missouri River, it was necessary for the carriers to the upper crossings, at the time the case last cited was under consideration, to shrink their 97-cent local scale to the Mississippi River to a proportional scale of 87 cents.<sup>2</sup>

In complying with this suggestion of the Commission, the interested carriers rechecked the entire state of Iowa on a mileage basis and published rates based on short-line

<sup>2</sup> 28 I. C. C. Rep., 65.

distances from Mississippi River Crossings to destination. A representative line of rates to points in Iowa is shown in Table 22.

TABLE 22

PROPORTIONAL CLASS RATES FROM EAST DUBUQUE, ILL., ON  
TRAFFIC ORIGINATING EAST OF THE INDIANA-ILLINOIS STATE  
LINE TO POINTS IN IOWA ON THE ILLINOIS  
CENTRAL RAILROAD

FROM EAST DUBUQUE, ILL., TO	RATES IN CENTS PER 100 POUNDS										
	Classes <sup>1</sup>										
	MILES	1	2	3	4	5	A	B	C	D	E
Julien	10	16.8	14.6	11.1	8.4	6.2	6.3	6.2	5.4	4.7	4
Peosta	15	17.6	15.3	11.4	8.8	6.4	6.6	6.4	5.7	4.9	4.1
Epworth	19	18.4	15.9	11.9	9.2	6.7	6.8	6.7	5.9	5.1	4.2
Farley	23	19	16.5	12.3	9.5	6.9	7	6.9	6.1	5.2	4.4
Dyersville	29	19.6	17	12.7	9.8	7.2	7.2	7.2	6.3	5.4	4.5
Earlville	37	20.8	18	13.5	10.4	7.6	7.6	7.6	6.6	5.7	4.8
Delaware	41	21.4	18.5	14	10.7	7.8	7.8	7.8	6.8	5.9	4.9
Manchester	47	22	19	14.3	11	8	8	8	7	6	5
Masonville	53	22.4	19.3	14.6	11.2	8.1	8.2	8.1	7.1	6.1	5.1
Winthrop	61	23.2	20	15.1	11.6	8.4	8.6	8.4	7.4	6.3	5.3
Independence	93	23.6	20.4	15.4	11.8	8.6	8.8	8.6	7.5	6.4	5.3
Waterloo	69	25.6	22	16.7	12.8	9.3	9.8	9.2	8.1	6.9	5.7
Cedar Falls	90	26	22.4	17	13	9.4	10	9.4	8.2	7	5.8
Aplington	123	30	25.8	18.8	14.6	10.8	11.8	10.5	9.2	7.8	6.6
Alden	149	34	27.3	20.5	16.3	12.3	13.5	11.7	10.2	8.7	7.4
Webster City	172	38	29.7	22.3	18	13.7	15.2	12.8	11.2	9.5	8.2
Tara	198	42	32.2	24	19.6	15.2	16.9	14	12.1	10.4	9
Sherwood	222	46.8	35.1	26.1	21.5	16.9	18.9	15.4	13.3	11.4	9.9
Brogan	249	50	37.1	27.5	22.8	18.1	20.2	16.2	14	12	10
Dow City	275	54.8	40.4	29.6	24	19.8	22	17.6	15	12	10
Dunlap	282	55	41	30.3	24	20	22	18	15	12	10
Grable	314	55	41	32	24	20	22	18	15	12	10

<sup>1</sup> Governed by the Western Classification.

It may be seen that as the distance from Chicago, Peoria, or St. Louis increases, the rates likewise increase until at Dow City, Iowa, the Missouri River rate is

reached and this is held as a maximum to all stations from there west to Omaha.

In many cases at points served by two or more carriers, one or more of the carriers, owing to their circuitous routes, may forego the traffic and concede it to the direct line. Taking Cedar Rapids, Iowa, as an example, the short-line distance is via Muscatine, Iowa, and the Chicago, Rock Island & Pacific Railway, and is 59 miles, whereas via Clinton, Iowa, and the Chicago & North-Western Railway the distance is 83 miles. Likewise, to Carnforth, Iowa, the distance via the same routes and junctions is 82 and 120 miles, respectively. Were the Chicago & North-Western Railway to meet the rates of the direct line (Chicago, Rock Island & Pacific Railway) it would be necessary for them to reduce such points via their route between Clinton, Iowa, and Des Moines, Iowa, or Carnforth, to the basis in effect via the short line. As quite a number of stations are involved, they prefer to concede the traffic for such short-line points to the direct lines in order that the basis to the points on their lines may be held up to the normal basis.

In establishing rates from Central Freight Association and Trunk Line territories to stations in Iowa, the through rates are made on combinations on the Mississippi River, using the local rates up to the river and adding to that amount the proportional rate shown. Usually all tariffs which name rates to the Mississippi River have a clause in them reading to the effect that the rates published to St. Louis are applied to all Mississippi River Crossings on traffic destined to points beyond.

## 2. COMMODITY RATES

*(a) Points of Origin*

In the construction of commodity rates between interior points in Iowa and adjoining states in Western Trunk Line Territory, the adjoining territory is divided into twelve groups: Group A (Chicago), Group B (Peoria), Group C (Springfield), Group D (Litchfield), Group E (Danville), Group F (St. Louis), Group G (Beardstown), Group H (Galesburg), Group I (Fulton), Group J (Prairie du Chien), Group K (East Mississippi River Proportional Group), and Group L (Champaign).

*Group A (Chicago).*—Beginning at Chicago, Ill., and thence north via the west bank of Lake Michigan to and including Sturgeon Bay, Wis.; thence south to a point just north of Green Bay, Wis.; thence northwest via an imaginary line north of Shawno and Antigo, Wis., to a point just north of Merrill, Wis.; thence west of the Chicago, Milwaukee & St. Paul Railway to Wausau, Wis.; thence north of the Chicago & North-Western Railway to Mann, Wis.; thence north of the Chicago, St. Paul, Minneapolis & Omaha Railway (including Romadka, Wis., on the Chicago, Milwaukee & St. Paul Railway) to but not including Granton, Wis.; thence southwest via an imaginary line to a point just north of Hatfield, Wis., on the Green Bay & Western Railroad; thence north of the Green Bay & Western Railroad to but not including Marshland, Wis.; thence east of the Chicago & North-Western Railway to but not including La Crosse, Wis.; thence east of the Chicago, Burlington & Quincy Railroad to but not including Thompson, Ill.; thence east of the Chicago, Milwaukee & St. Paul Railway to but not includ-

ing Fulton, Ill.; thence north of the Chicago & North-Western Railway to a point just north of Nelson, Ill.; thence eastwardly crossing the Chicago & North-Western Railway north of Nelson, Ill., and the Illinois Central Railroad north of Amboy, Ill.; thence east of the Illinois Central Railroad to but not including Wenona, Ill.; thence east of the Atchison, Topeka & Santa Fe Railway to but not including Ancona, Ill.; thence south of the Atchison, Topeka & Santa Fe Railway to but not including Minonk, Ill.; thence east of the Illinois Central Railroad to but not including Decatur, Ill.; thence east and north of the Wabash Railroad to Bement, Ill.; thence on and west of the Wabash Railroad to Gibson, Ill.; thence on and west of the Illinois Central Railroad to Kankakee, Ill.; thence on and north of the Chicago, Indiana & Southern Railroad to the Illinois-Indiana State Line; and thence north to the point of beginning, including Chicago suburban points in Indiana.

*Group B (Peoria).*—Beginning at the western boundary line of Group A at a point northeast of Morrison, Ill.; thence south via an imaginary line east of Morrison, Ill., to a point just east of Denrock, Ill.; thence south of the Chicago, Burlington & Quincy Railroad to but not including Barstow, Ill.; thence east of the line of the Chicago, Burlington & Quincy Railroad through Colona, Orion, Alpha, and Galesburg, Ill., to but not including Bushnell, Ill.; thence south of the Toledo, Peoria & Western Railway to Hollis, Ill.; thence south of the Peoria Railway Terminal Company to and including Pekin, Ill.; thence east of the Peoria & Pekin Union Railway to and including Peoria, Ill.; and thence north via the Illinois River to the western boundary line of Group A, including Oglesby, Ill.

*Group C (Springfield).*—Beginning at the southwestern

corner of Group A at a point just south of Danville, Ill.; thence south of the Wabash Railroad to but not including Chapin, Ill.; and thence east of the Chicago, Burlington & Quincy Railroad to the southern boundary of Group B.

*Group D (Litchfield).*—Beginning at the southeastern corner of Group C at a point just southeast of Decatur, Ill.; thence east of the Illinois Central Railroad through Pana, Ill.; thence south of the Cleveland, Cincinnati, Chicago & St. Louis Railway to Litchfield, Ill.; thence east and south of the Illinois Central Railroad to but not including Glenn Carbon, Ill.; thence east of the Louisville & Nashville Railroad to but not including Edwardsville, Ill.; thence north of the Illinois Terminal Railroad to but not including Alton, Ill.; and thence east of the Chicago, Burlington & Quincy Railroad to the southern boundary line of Group C.

*Group E (Danville).*—Territory south and east of Groups A, E, D, and L, and on, north, and west of the following line: Vandalia Railroad from a point just east of East St. Louis, Ill., to Effingham, Ill.; thence via the Illinois Central Railroad to Neoga, Ill.; thence via the Toledo, St. Louis & Western Railroad to Humrick, Ill.; thence via the Chicago, Indiana & Southern Railroad to Danville, Ill.; thence via the Chicago, Indiana & Southern Railroad to and including Lake Village, Ind.; and thence west to the Illinois-Indiana State Line.

*Group F (St. Louis).*—Beginning at the southwestern corner of Group D at a point southeast of Glenn Carbon, Ill.; thence south of the Illinois Central Railroad and Louisville & Nashville Railroad to and including East St. Louis, Ill., and St. Louis, Mo.; thence on and east of the Chicago, Burlington & Quincy Railroad to but not includ-

ing Hannibal, Mo.; and thence south of the Wabash Railroad to the western boundary line of Group D.

*Group G (Beardstown).*—Territory west of Group C and south of the line of the Chicago, Burlington & Quincy Railroad from Bushnell, Ill., to Quincy, Ill.; and thence east of the line of the Chicago, Burlington & Quincy Railroad through Fall Creek, Ill., to but not including Hannibal, Mo.

*Group H (Galesburg).*—Territory west of Group B, north of Group G, and on and east of the Chicago, Burlington & Quincy Railroad from Hannibal, Mo., to Burlington, Iowa (including West Burlington, Iowa); thence on and east of the Chicago, Rock Island & Pacific Railway to and including Morning Sun, Iowa; thence on and south of the Iowa Central Railway to and including Cameron, Ill.; and thence on and south of the Atchison, Topeka & Santa Fe Railway to and including Galesburg, Ill.

*Group I (Fulton).*—Territory west of Groups A and B, north of Group H, and on and east of the Mississippi River, including west bank Mississippi River points from Wapello, Iowa, to Dubuque, Iowa, inclusive.

*Group J (Prairie du Chien).*—Points on both banks of the Mississippi River north of Dubuque, Iowa, to and including Victory, Wis., and New Albin, Iowa.

*Group K (East Mississippi River Proportional).*—East bank Mississippi River points (East St. Louis, Ill., to East Dubuque, Ill., inclusive) on traffic originating at or destined to points east of the Indiana-Illinois State Line.

*Group L (Champaign).*—Territory east of Group A, and on and north of the Wabash Railroad, from a point just east of Bement, Ill., to and including Sidney, Ill.; thence on and west of the Wabash Railroad to and including Champaign, Ill.; and thence on and west of the Illinois Central Railroad to but not including Gilman, Ill.

*(b) Points of Destination*

The state of Iowa is divided into twenty-seven groups designated as follows: (1) Manchester Group, (2) Cedar Rapids Group, (3) Iowa City Group, (4) Oskaloosa Group, (5) Ottumwa Group, (6) Cedar Falls Group, (7) Reinbeck Group, (8) Marshalltown Group, (9) Montezuma Group, (10) Waverly Group, (11) Mason City Group, (12) Ackley Group, (13) Iowa Falls Group, (14) Boone Group, (15) Ft. Dodge Group, (16) Cambridge Group, (17) Des Moines Group, (18) Albert Lea Group, (19) Faribault Group, (20) Mankato Group, (21) Mexico Group, (22) Chillicothe Group, (23) Shenandoah Group, (24) Manning Group, (25) Lake City Group, (26) Sioux City or Sheldon Group, and (27) Sioux Falls or Hawarden Group. The class rates to these groups from Chicago are reproduced in Table 20, and the proportional rates applying from the Mississippi River are reproduced in Table 21.

*Group 1 (Manchester).*—Territory west of the west bank of the Mississippi River, and on and south of the Chicago Great Western Railroad, from a point just west of Dubuque, Iowa, to Oneida Junction, Iowa; thence on and east of the Manchester & Oneida Railway to and including Manchester, Iowa; thence on and east of the Illinois Central Railroad to but not including Cedar Rapids, Iowa; and thence north of the Chicago, Milwaukee & St. Paul Railway to but not including Green Island, Iowa, on the Mississippi River.

*Group 2 (Cedar Rapids).*—Territory south of Group 1, west of the west bank of the Mississippi River, and north of the main line of the Chicago, Rock Island & Pacific Railway, from Davenport, Iowa, to a point just north



of Oxford, Iowa; thence north via an imaginary line to a point just west of Fairfax, Iowa; and thence on and east of the Chicago, Milwaukee & St. Paul Railway to and including Cedar Rapids, Iowa.

*Group 3 (Iowa City).*—Territory south of Group 2, west of the west bank of the Mississippi River, and on and north of the Chicago, Rock Island & Pacific Railway, from Muscatine, Iowa, to Iowa Junction, Iowa; and thence on and east of the Chicago, Rock Island & Pacific Railway to and including Iowa City, Iowa.

*Group 4 (Oskaloosa).*—Beginning at the southwestern corner of Group 3 at a point just south of Iowa Junction, Iowa; thence south of the Chicago, Rock Island & Pacific Railway to but not including Thornburg, Iowa; thence east of the Chicago, Rock Island & Pacific Railway to but not including What Cheer, Iowa; thence west of an imaginary line crossing the Iowa Central Railway south of Lacy, Iowa; thence west of the Iowa Central Railway to and including Oskaloosa, Iowa; thence south of the line of the Chicago, Burlington & Quincy Railroad through Stark and Hedrick, Iowa, to Brighton, Iowa; thence south of the Iowa Central Railway to Windfield, Iowa; thence south of the Chicago, Burlington & Quincy Railroad to but not including Mediapolis, Iowa; and thence west of the lines of the Chicago, Rock Island & Pacific Railway through Morning Sun, Wapello, Columbus Junction, and Lotts, Iowa, to the southern boundary of Group 3.

*Group 5 (Ottumwa).*—Territory west of the west bank of the Mississippi River, south of Group 4, and on and north of the Wabash Railroad, from a point just west of Hannibal, Mo., to and including Moberly, Mo.; thence on and east of the lines of the Wabash Railroad through Macon, Moulton, and Bloomfield, Mo., to and including

Ottumwa, Iowa; and thence northwest via an imaginary line to the southern boundary line of Group 4 at a point just south of Cedar, Iowa.

*Group 6 (Cedar Falls).*—Beginning at the northwest corner of Group 1 at a point just northwest of Oneida Junction, Iowa; thence on and south of the Chicago Great Western Railroad through Oelwein, Iowa, to and including Waterloo, Iowa; thence on and south of the Illinois Central Railroad to and including Cedar Falls, Iowa; thence on and east of the Chicago Great Western Railroad to and including Wilson Junction, Iowa; and thence on and east of the Chicago, Rock Island & Pacific Railway to but not including Cedar Rapids.

*Group 7 (Reinbeck).*—Beginning at the western boundary line of Group 6 at a point just northwest of Vinton, Iowa; thence on and south of the Chicago, Rock Island & Pacific Railway to and including Reinbeck, Iowa; thence on and east of the Chicago Great Western Railroad to and including Gladbrook, Iowa; thence on and east of the Chicago & North-Western Railway to but not including Tama, Iowa; and thence north of the Chicago, Milwaukee & St. Paul Railway to but not including Cedar Rapids, Iowa.

*Group 8 (Marshalltown).*—Territory south of Group 7, and on and east of the line of the Chicago Great Western Railroad, from a point just west of Gladbrook, Iowa, to and including Marshalltown, Iowa; thence on and east of the Iowa Central Railway to but not including Grinnell, Iowa; and thence north of the Chicago, Rock Island & Pacific Railway to the southwestern corner of Group 2.

*Group 9 (Montezuma).*—Territory south of Group 8, west of Group 3, north of Group 4, and on and east of the Iowa Central Railway, from Grinnell to Lacy, Iowa, both included.

*Group 10 (Waverly).*—Territory north of Groups 1 and 6, west of the west bank of the Mississippi River, and on and south of the Chicago, Milwaukee & St. Paul Railway to Castalia, Iowa; thence on and west of the Chicago, Rock Island & Pacific Railway to and including Decorah, Iowa; thence on and south of the Chicago, Milwaukee & St. Paul Railway through Conover, Calmar, New Hampton, and Charles City, Iowa, to and including Portland, Iowa; and thence on and east of the Chicago, Rock Island & Pacific Railway to but not including Cedar Falls, Iowa.

*Group 11 (Mason City).*—Beginning at the northern boundary of Group 10 at a point just west of Nora Springs Junction, Iowa; thence south of the Chicago, Rock Island & Pacific Railway to but not including Manly, Iowa; thence on and east of the Iowa Central Railway through Mason City and Hampton, Iowa, to but not including Ackley, Iowa; and thence north of the Illinois Central Railroad to but not including Cedar Falls, Iowa.

*Group 12 (Ackley).*—Territory south of Group 11, west of Group 6, and on and east of the Iowa Central Railway, from Ackley, Iowa, to but not including Marshalltown, Iowa; and thence north and west of the Chicago Great Western Railroad to the western boundary line of Group 7.

*Group 13 (Iowa Falls).*—Territory west of Group 12, and on and south of the Illinois Central Railroad, from a point just west of Ackley, Iowa, to and including Iowa Falls, Iowa; thence on and east of the St. Paul & Des Moines Railroad (including Radcliffe and Ellsworth, Iowa, on the Chicago & North-Western Railway and Roland, Iowa, on the Iowa Central Railway) to but not including Nevada, Iowa; and thence north of the Chicago

& North-Western Railway to but not including Marshalltown, Iowa.

*Group 14 (Boone).*—Beginning at a point northwest of Ames, Iowa, and thence on and south of the Chicago & North-Western Railway to and including Grand Junction, Iowa; thence on and east of the Minneapolis & St. Louis Railroad to but not including Des Moines, Iowa; thence west of the Chicago, Milwaukee & St. Paul Railway to but not including Madrid, Iowa; thence north of the Chicago, Milwaukee & St. Paul Railway to but not including Slater, Iowa; and thence west of the Chicago & North-Western Railway to the point of beginning.

*Group 15 (Fort Dodge).*—Beginning at the northwestern corner of Group 11 at a point just west of Manly, Iowa; thence west of the Iowa Central Railway to but not including Albert Lea, Minn.; thence on and east of the Minneapolis & St. Louis Railroad to and including Fort Dodge, Iowa; thence on and south of the Illinois Central Railroad to and including Tara, Iowa; thence on and east of the Minneapolis & St. Louis Railroad to but not including Grand Junction, Iowa; and thence north of the Chicago & North-Western Railway to but not including Nevada, Iowa.

*Group 16 (Cambridge).*—Territory west of Groups 8 and 9, south of Groups 13 and 15, east of Group 14, and north of the line of the Chicago, Rock Island & Pacific Railway, from a point just west of Oskaloosa, Iowa, through Pella, Monroe, and Altoona, Iowa, to but not including Des Moines, Iowa.

*Group 17 (Des Moines).*—Territory south of Group 16, west of Groups 4 and 5, and on and east of the Chicago, Burlington & Quincy Railroad, from a point just west of Glenwood Junction, Mo., to and including Centerville,

Iowa; thence on and east of the Iowa Central Railway to and including Albia, Iowa; thence on, north, and east of the Chicago, Burlington & Quincy Railroad to and including Indianola, Iowa; and thence on and east of the Chicago, Rock Island & Pacific Railway through Summer-set Junction and Carlisle, Iowa, to and including Des Moines, Iowa.

*Group 18 (Albert Lea).*—Territory north of Group 10, east of Group 15, and on, south, and west of the Chicago, Milwaukee & St. Paul Railway, from a point just west of Conover, Iowa, to and including Taopi, Minn.; thence west of the Chicago Great Western Railroad to but not including Hayfield, Minn.; thence on and east of the Chicago Great Western Railroad to and including Austin, Minn.; and thence on and south of the Chicago, Milwaukee & St. Paul Railway to and including Albert Lea, Minn.

*Group 19 (Faribault).*—Territory north of Groups 10 and 18, west of the west bank of the Mississippi River, and on and east of the Minneapolis & St. Louis Railroad, from a point just west of Albert Lea, Minn., to but not including Hopkins, Minn.

*Group 20 (Mankato).*—Territory west of Group 19, and on, north, and east of the following line: Chicago, Milwaukee & St. Paul Railway, from a point just west of Albert Lea, Minn., through Mapleton, Minn., to and including Mankato, Minn.; and thence via the Chicago, Milwaukee & St. Paul Railway to but not including Jordan, Minn.

*Group 21 (Mexico).*—Territory south of Group 5, west of the west bank of the Mississippi River, and on and north of the Wabash Railroad, from a point just west of St. Louis, Mo., through Mexico and Centralia (including Columbia branch) to but not including Moberly, Mo.

*Group 22 (Chillicothe).*—Territory west of Groups 5,

17, and 21, and on and north of the St. Louis, Kansas City & Colorado Railroad, from a point just east of Kansas City, Mo., to but not including St. Louis, Mo., (including the Bagnell and Warsaw branches of the Missouri Pacific Railway) and east of the Missouri River from Kansas City to St. Joseph, Mo.; thence on and east of the Chicago, Burlington & Quincy Railroad through Maryville, Mo., and Cretin, Iowa, to and including Alfton Junction, Iowa; and thence on and east of the Chicago Great Western Railroad to but not including Des Moines, Iowa.

*Group 23 (Shenandoah).*—Territory east of the Missouri River, north and west of Group 22, and on and south of the Chicago, Rock Island & Pacific Railway, from a point just east of Council Bluffs, Iowa, to but not including Des Moines, Iowa.

*Group 24 (Manning).*—Territory north of Group 23, west of Group 14, and on, south, and east of the following line: Chicago & North-Western Railway, from a point just west of Grand Junction, Iowa, to but not including Council Bluffs, Iowa.

*Group 25 (Lake City).*—Territory north of Group 24, west of Group 15, and on, south, and east of the Illinois Central Railroad, from a point just west of Tara, Iowa, to but not including Denison, Iowa.

*Group 26 (Sioux City or Sheldon).*—Territory north of Groups 24 and 25, west of Group 15, and on and south of the line of the Chicago, Rock Island & Pacific Railway, from a point just west of Forrest City, Iowa, through Estherville and Spirit Lake, Iowa, to and including Worthington, Minn.; thence on, south, and east of the Chicago, St. Paul, Minneapolis & Omaha Railway through Luverne, Minn., to and including Rock Rapids, Iowa; thence on and south of the Chicago, Rock Island & Pacific

Railway to and including Lester, Iowa; thence on and east of the Great Northern Railway to and including Sioux City, Iowa; and thence on and east of the Chicago & North-Western Railway to but not including California Junction, Iowa.

*Group 27 (Sioux Falls or Hawarden).*—Territory west of Group 26, and on, north, and east of the line of the Chicago, Milwaukee & St. Paul Railway, from a point just west of Sioux City, Iowa, through Elk Point, S. D., Hawarden, Iowa, Canton and Tea, S. D., to and including Sioux Falls and South Sioux Falls, S. D.; thence on and east of the Great Northern Railway to and including Garretson, S. D.; and thence eastwardly crossing via an imaginary line to the northwestern corner of Group 26 at a point just north of Luverne, Minn.

## CHAPTER VI

### INTERSTATE RATES TO INTERIOR IOWA CITIES

(Continued)

#### 1. BASES FOR RATES FROM OR TO CHICAGO, PEORIA, AND ST. LOUIS GROUPS

The following sets forth the basis used in the construction of commodity rates between Chicago, Peoria, and St. Louis groups on the one hand and the groups in Iowa on the other.

##### *Manchester*

Rates between Group 1 (Manchester) and Groups A (Chicago), B (Peoria), and F (St. Louis) are made the same as Chicago-Cedar Rapids rates.

##### *Cedar Rapids*

Rates between Group 2 (Cedar Rapids) and Group A (Chicago) are made the same as Chicago-St. Paul or Chicago-Missouri River rates, whichever are lower, observing Chicago-Des Moines, Chicago-Marshalltown, or Chicago-Ottumwa rates as maximum rates.

Rates between Group 2 (Cedar Rapids) and Group B (Peoria) are made the following differentials below Chicago rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials (in cents).....	10	10	5	2½	2½	3¾	3¾	2½	2½	2½



Rates between Group 2 (Cedar Rapids) and Group F (St. Louis) are made the same as Chicago-Cedar Rapids rates.

### *Iowa City*

Rates between Group 3 (Iowa City) and Group A (Chicago) are made the same as Chicago-Cedar Rapids rates.

Rates between Group 3 (Iowa City) and Group B (Peoria) are made the same as Peoria-Cedar Rapids rates.

Rates between Group 3 (Iowa City) and Group F (St. Louis) are made the same as St. Louis-Cedar Rapids rates.

### *Oskaloosa*

Rates between Group 4 (Oskaloosa) and Group A (Chicago) are made the same as St. Louis-St. Paul rates, observing the Chicago-Des Moines rates as maximum rates.

Rates between Group 4 (Oskaloosa) and Group B (Peoria) are made the following differentials below Chicago:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials (in cents).....	10	10	5	2½	2½	3¾	3¾	2½	2½	2½

Rates between Group 4 (Oskaloosa) and Group F (St. Louis) are made the same as Chicago-Oskaloosa rates, subject to St. Louis-Des Moines rates, but not less than Peoria-Oskaloosa rates as maximum rates.

### *Ottumwa*

Rates between Group 5 (Ottumwa) and Group A (Chicago) are made the following differentials above St. Louis-Ottumwa rates:

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Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials (in cents).....	8	8	5	3	3	4	4	2½	2	1½

These rates are subject to Chicago-Omaha or Chicago-Kansas rates as maximum rates.

Rates between Group 5 (Ottumwa) and Group B (Peoria) are made the following differentials less than the Chicago rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials (in cents).....	10	10	5	2½	2½	3¾	3¾	2½	2½	2½

Rates between Group 5 (Ottumwa) and Group F (St. Louis) are made the same as Chicago-St. Paul or St. Louis-Omaha rates, whichever are lower, subject to the Chicago-Cedar Rapids rates as maximum rates.

On traffic destined to or originating at points east of the Indiana-Illinois State Line, St. Louis-Kansas rates apply as maximum rates.

### *Cedar Falls*

Rates between Group 6 (Cedar Falls) and Group A (Chicago) are made the same as Chicago-St. Paul or Chicago-Missouri River rates, whichever are lower.

Rates between Group 6 (Cedar Falls) and Group B (Peoria) are made the same as Chicago-St. Paul or Chicago-Missouri River rates, whichever are lower.

Both Chicago-Cedar Falls and Peoria-Cedar Falls rates are subject to the Chicago-Marshalltown rates as maximum rates.

Rates between Group 6 (Cedar Falls) and Group F (St. Louis) are made the same as St. Louis-St. Paul rates, subject to the St. Louis-Ft. Dodge rates as maximum rates.

*Reinbeck*

Rates between Group 7 (Reinbeck) and Group A (Chicago) are made the same as St. Louis-St. Paul rates, subject to the Chicago-Marshalltown rates as maximum rates.

Rates between Group 7 (Reinbeck) and Group B (Peoria) are made the same as Chicago-Reinbeck rates.

Rates between Group 7 (Reinbeck) and Group F (St. Louis) are made the same as Chicago-Reinbeck rates.

*Marshalltown*

Rates between Group 8 (Marshalltown) and Group A (Chicago) are made the same as St. Louis-St. Paul rates, subject to the Chicago-Des Moines rates as maximum rates.

Rates between Group 8 (Marshalltown) and Group B (Peoria) are made the following differentials below Chicago-Marshalltown rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials (in cents).....	10	10	5	2½	2½	3¾	3¾	2½	2½	2½

Rates between Group 8 (Marshalltown) and Group F (St. Louis) are made the same as Chicago-Marshalltown rates.

*Montezuma*

Rates between Group 9 (Montezuma) and Group A (Chicago) are made the same as Chicago-Marshalltown rates.

Rates between Group 9 (Montezuma) and Group B (Peoria) are made the same as Peoria-Marshalltown rates.

Rates between Group 9 (Montezuma) and Group F (St. Louis) are made the same as St. Louis-Marshalltown rates.

*Waverly*

Rates between Group 10 (Waverly) and Group A (Chicago) are made the same as Chicago-Mason City or Chicago-Albert Lea rates, whichever are lower.

Rates between Group 10 (Waverly) and Group B (Peoria) are made the same as Peoria-Mason City or Peoria-Albert Lea rates, whichever are lower.

Rates between Group 10 (Waverly) and Group F (St. Louis) are made the same as St. Louis-Mason City or St. Louis-Albert Lea rates, whichever are lower.

*Mason City*

Rates between Group 11 (Mason City) and Group A (Chicago) are made the same as St. Louis-St. Paul rates, subject to Chicago-Ft. Dodge rates as maximum rates.

Rates between Group 11 (Mason City) and Group B (Peoria) are made the same as Chicago-Mason City rates.

Between Mason City, Iowa, and points on the Iowa Central Railway taking the same rates on the one hand and Peoria and Pekin, Ill., proper, on the other hand, Peoria-St. Paul rates apply as maximum rates.

Rates between Group 11 (Mason City) and Group F (St. Louis) are made the same as St. Louis-St. Paul rates, subject to St. Louis-Ft. Dodge rates as maximum rates.

*Ackley*

Rates between Group 12 (Ackley) and Group A (Chicago) are made the same as St. Louis-St. Paul rates, subject to the Chicago-Des Moines rates as maximum rates.

Rates between Group 12 (Ackley) and Group B (Peoria) are made the same as Chicago-Ackley rates.

Between Ackley, Iowa, and points on the Iowa Central Railway taking the same rates on the one hand and Peoria and Pekin, Ill., proper, on the other hand, Peoria-St. Paul rates apply as maximum rates.

Rates between Group 12 (Ackley) and Group F (St. Louis) are made the same as St. Louis-St. Paul rates, subject to the St. Louis-Ft. Dodge rates as maximum rates.

### *Iowa Falls*

Rates between Group 13 (Iowa Falls) and Group A (Chicago) are made the same as Chicago-Des Moines rates.

Rates between Group 13 (Iowa Falls) and Group B (Peoria) are made the same as Chicago-Iowa Falls rates.

Rates between Group 13 (Iowa Falls) and Group F (St. Louis) are made the same as St. Louis-Ft. Dodge rates.

### *Boone*

Rates between Group 14 (Boone) and Group A (Chicago) are made the same as Chicago-Ft. Dodge rates.

Rates between Group 14 (Boone) and Group B (Peoria) are made the following differentials below Chicago rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials (in cents) .....	10	10	5	2½	2½	3¾	3¾	2½	2½	2½

Rates between Group 14 (Boone) and Group F (St. Louis) are made the same as Chicago-Boone rates.

*Fort Dodge*

Rates between Group 15 (Ft. Dodge) and Group A (Chicago) are made the following differentials above Des Moines rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials (in cents).....	5	5	3	1	1	1	1	1	1	1

These rates are subject to the Chicago-Omaha rates or Chicago-Sioux City rates as maximum rates.

Rates between Group 15 (Ft. Dodge) and Group B (Peoria) are made the same as Chicago-Ft. Dodge rates.

Rates between Group 15 (Ft. Dodge) and Group F (St. Louis) are made the same as Chicago-Ft. Dodge rates.

*Cambridge*

Rates between Group 16 (Cambridge) and Group A (Chicago) are made the same as Chicago-Des Moines rates.

Rates between Group 16 (Cambridge) and Group B (Peoria) are made the same as Peoria-Des Moines rates.

Rates between Group 16 (Cambridge) and Group F (St. Louis) are made the same as Chicago-Cambridge rates.

*Des Moines*

Rates between Group 17 (Des Moines) and Group A (Chicago) are made the following differentials above the St. Louis-Des Moines rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials (in cents).....	8	5	5	3	3	4	4	2½	2	1½

These rates are subject to the Chicago-Omaha and Chicago-Kansas City rates as maximum rates.

In the event Chicago-Omaha or Chicago-Kansas City rates apply as maximum rates between Chicago and Des Moines, rates to or from Peoria and St. Louis are the regular differentials less than the Chicago rates.

Rates between Group 17 (Des Moines) and Group B (Peoria) are made the following differentials less than the Chicago rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials (in cents) .....	10	10	5	2½	2½	3¾	3¾	2½	2½	2½

Rates between Group 17 (Des Moines) and Group F (St. Louis) are made the same as St. Louis-St. Paul rates or St. Louis-Omaha rates, whichever are lower.

On traffic destined to or originating at points east of the Indiana-Illinois State Line, St. Louis-Kansas City rates apply as maximum rates.

### *Albert Lea*

Rates between Group 18 (Albert Lea) and Group A (Chicago) are made the same as Chicago-St. Paul rates.

Rates between Group 18 (Albert Lea) and Group B (Peoria) are made the same as Peoria-St. Paul rates.

Rates between Group 18 (Albert Lea) and Group F (St. Louis) are made the same as St. Louis-St. Paul rates.

### *Faribault*

Rates between Group 19 (Faribault) and Group A (Chicago) are made the same as Chicago-St. Paul rates.

Rates between Group 19 (Faribault) and Group B (Peoria) are made the same as Peoria-St. Paul rates.

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Rates between Group 19 (Faribault) and Group F (St. Louis) are made the same as St. Louis-St. Paul rates.

### *Mankato*

Rates between Group 20 (Mankato) and Group A (Chicago) are made the following differentials above the Faribault-Chicago rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials (in cents) .....	5	5	3	2	2	2	2	2	1	1

Rates between Group 20 (Mankato) and Group B (Peoria) are made the following differentials over the Faribault-Peoria rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials (in cents) .....	5	5	3	2	2	2	2	2	1	1

Rates between Group 20 (Mankato) and Group F (St. Louis) are made the following differentials over the Faribault-St. Louis rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials (in cents) .....	5	5	3	2	2	2	2	2	1	1

In connection with rates to Mankato, a special commodity basis is provided for a few commodities that are less than the regular class differentials.

### *Mexico*

Rates between Group 21 (Mexico) and Group A (Chicago) are made the same as Chicago-Ottumwa rates.

To and from stations taking Chicago rates located



north of the Chicago, Milwaukee & St. Paul Railway, from Milwaukee to Prairie du Chien, through Waterloo, Wis., Chicago-Missouri River rates apply except on a few commodities such as agricultural implements, furniture, vehicles, etc.

Rates between Group 21 (Mexico) and Group B (Peoria) are made the same as Peoria-Ottumwa rates, but not to be less than St. Louis-Mexico rates.

Rates between Group 21 (Mexico) and Group F (St. Louis) are made the same as St. Louis-Ottumwa rates.

### *Chillicothe*

Rates between Group 22 (Chillicothe) and Group A (Chicago) are made the same as Chicago-Kansas City rates.

Rates between Group 22 (Chillicothe) and Group B (Peoria) are made the same as Peoria-Kansas City rates.

Rates between Group 22 (Chillicothe) and Group F (St. Louis) are made the same as St. Louis-Kansas City rates.

### *Shenandoah*

Rates between Group 23 (Shenandoah) and Group A (Chicago) are made the same as Chicago-Omaha rates.

Rates between Group 23 (Shenandoah) and Group B (Peoria) are made the same as Peoria-Omaha rates.

Rates between Group 23 (Shenandoah) and Group F (St. Louis) are made the same as St. Louis-Omaha rates.

### *Manning*

Rates between Group 24 (Manning) and Group A (Chicago) are made the same as Chicago-Omaha rates.

Rates between Group 24 (Manning) and Group B (Peoria) are made the same as Peoria-Omaha rates.

Rates between Group 24 (Manning) and Group F (St. Louis) are made the same as Chicago-Manning rates.

### *Lake City*

Rates between Group 25 (Lake City) and Group A (Chicago) are made the same as Chicago-Sioux City or Chicago-Omaha rates, whichever are lower.

Rates between Group 25 (Lake City) and Group B (Peoria) are made the same as Chicago-Lake City rates.

Rates between Group 25 (Lake City) and Group F (St. Louis) are made the same as Chicago-Lake City rates.

### *Sioux City*

Rates between Group 26 (Sioux City) and Group A (Chicago) are made the same as Chicago-Omaha rates.

Rates between Group 26 (Sioux City) and Group B (Peoria) are made the same as Chicago-Sioux City rates.

Rates between Group 26 (Sioux City) and Group F (St. Louis) are made the same as Chicago-Sioux City rates.

### *Sioux Falls*

Rates between Group 27 (Sioux Falls) and Group A (Chicago) are made 104 per cent of the Chicago-Sioux City rates.

Rates between Group 27 (Sioux Falls) and Group B (Peoria) are made the same as Chicago-Sioux Falls rates.

Rates between Group 27 (Sioux Falls) and Group F

(St. Louis) are made the same as Chicago-Sioux Falls rates.

This basis has reference only to that part of Sioux Falls territory described on page 69 and does not conflict with the Sioux Falls rates outlined under the Missouri River territory.

## 2. BASES FOR RATES FROM OR TO GROUPS OTHER THAN CHICAGO, PEORIA, AND ST. LOUIS GROUPS

In Tables 23 to 31, inclusive, is shown the basis to employ in establishing commodity rates between stations in Illinois and Wisconsin on the one hand and stations in Iowa on the other hand.

It will be noted that there is an individual table for each point of origin and care should be taken to see that the proper table is employed. At the same time no attempt should be made to memorize the information contained in the various tables but rather to fix in your mind the fact that there is a table covering a particular adjustment so that when the occasion arises reference to that table may be made for the basis of rates to employ.

TABLE 23

BASIS FOR RATES BETWEEN SPRINGFIELD (GROUP C) AND GROUPS INDICATED

BETWEEN THE FOLLOWING GROUP	AND POINTS IN THE FOLLOWING GROUPS	RATE BASIS APPLICABLE
Springfield (Group C)	1 (Manchester)	Chicago rates
	2 (Cedar Rapids)	Chicago rates, but not to exceed Peoria-Missouri River rates
	3 (Iowa City) 4 (Oskaloosa) 5 (Ottumwa)	Peoria rates
	6 (Cedar Falls) 7 (Reinbeck)	Chicago rates
	8 (Marshalltown)	Chicago rates, but not to exceed Peoria-Missouri River rates
	9 (Montezuma)	Peoria rates
	10 (Waverly) 11 (Mason City) 12 (Ackley) 13 (Iowa Falls)	Chicago rates
	14 (Boone)	Chicago rates, but not to exceed Peoria-Missouri River rates
	15 (Ft. Dodge)	Chicago rates
	16 (Cambridge)	Chicago rates, but not to exceed Peoria-Missouri River rates
	17 (Des Moines)	Peoria rates
	18 (Albert Lea) 19 (Faribault) 20 (Mankato)	Chicago rates
	21 (Mexico) 22 (Chillicothe) 23 (Shenandoah)	Peoria rates
	24 (Manning)	Chicago rates, but not to exceed Peoria-Missouri River rates
	25 (Lake City) 26 (Sioux City) 27 (Sioux Falls)	Chicago rates

TABLE 24

BASIS FOR RATES BETWEEN LITCHFIELD (GROUP D) AND GROUPS  
INDICATED

BETWEEN THE FOLLOWING GROUP	AND POINTS IN THE FOLLOWING GROUPS	RATE BASIS APPLICABLE
Litchfield (Group D)	1 (Manchester) 2 (Cedar Rapids)	St. Louis rates
	3 (Iowa City) 4 (Oskaloosa)	St. Louis rates, but not to exceed Peoria-Missouri River rates
	5 (Ottumwa)	Peoria rates, but not to be less than St. Louis rates
	6 (Cedar Falls) 7 (Reinbeck)	St. Louis rates
	8 (Marshalltown)	St. Louis rates, but not to be less than Chicago rates
	9 (Montezuma)	St. Louis rates, but not to exceed Peoria-Missouri River rates
	10 (Waverly) 11 (Mason City) 12 (Ackley) 13 (Iowa Falls)	St. Louis rates
	14 (Boone)	St. Louis rates, but not to be less than Chicago rates
	15 (Ft. Dodge)	St. Louis rates
	16 (Cambridge)	Chicago rates
	17 (Des Moines)	Peoria rates, but not to be less than St. Louis rates
	18 (Albert Lea) 19 (Faribault) 20 (Mankato)	St. Louis rates
	21 (Mexico)	Peoria rates, but not to be less than St. Louis rates
	22 (Chillicothe) 23 (Shenandoah)	Peoria rates
	24 (Manning) 25 (Lake City) 26 (Sioux City) 27 (Sioux Falls)	Chicago rates

TABLE 25

BASIS FOR RATES BETWEEN DANVILLE (GROUP E) AND GROUPS  
INDICATED

BETWEEN THE FOLLOWING GROUP	AND POINTS IN THE FOLLOWING GROUPS	RATE BASIS APPLICABLE
Danville (Group E)	1 (Manchester) 2 (Cedar Rapids) 3 (Iowa City)	St. Louis rates
	4 (Oskaloosa) 5 (Ottumwa)	Chicago rates
	6 (Cedar Falls) 7 (Reinbeck) 8 (Marshalltown) 9 (Montezuma) 10 (Waverly) 11 (Mason City) 12 (Ackley) 13 (Iowa Falls) 14 (Boone) 15 (Ft. Dodge)	St. Louis rates
	16 (Cambridge) 17 (Des Moines)	Chicago rates
	18 (Albert Lea) 19 (Faribault) 20 (Mankato)	St. Louis rates
	21 (Mexico) 22 (Chillicothe) 23 (Shenandoah) 24 (Manning) 25 (Lake City) 26 (Sioux City) 27 (Sioux Falls)	Chicago rates

TABLE 26

BASIS FOR RATES BETWEEN BEARDSTOWN (GROUP G) AND GROUPS  
INDICATED

BETWEEN THE FOLLOWING GROUP	AND POINTS IN THE FOLLOWING GROUPS	RATE BASIS APPLICABLE
Beardstown (Group G)	1 (Manchester)	Chicago rates
	2 (Cedar Rapids)	Chicago rates, but not to exceed Peoria-Missouri River rates
	3 (Iowa City) 4 (Oskaloosa)	Peoria rates, but not to exceed Mississippi River - Missouri River rates
	5 (Ottumwa)	Peoria or St. Louis-Ottumwa rates, whichever are lower, but not to exceed Mississippi River-Missouri River rates
	6 (Cedar Falls) 7 (Reinbeck)	Chicago rates
	8 (Marshalltown)	Chicago rates, but not to exceed Peoria-Missouri River rates
	9 (Montezuma)	Peoria rates, but not to exceed Mississippi River - Missouri River rates
	10 (Waverly) 11 (Mason City) 12 (Ackley) 13 (Iowa Falls)	Chicago rates
	14 (Boone)	Chicago rates, but not to exceed Peoria-Missouri River rates
	15 (Ft. Dodge)	Chicago rates
	16 (Cambridge)	Chicago rates, but not to exceed Peoria-Missouri River rates
	17 (Des Moines)	Peoria or St. Louis rates, whichever are lower, but not to exceed Mississippi River-Missouri River rates

TABLE 26—Continued

BASIS FOR RATES BETWEEN BEARDSTOWN (GROUP G) AND GROUPS INDICATED

BETWEEN THE FOLLOWING GROUP	AND POINTS IN THE FOLLOWING GROUPS	RATE BASIS APPLICABLE
Beardstown (Group G)	18 (Albert Lea) 19 (Faribault) 20 (Mankato)	Chicago rates
	21 (Mexico)	Peoria or St. Louis rates, whichever are lower, but not to exceed Missouri River rates
	22 (Chillicothe) 23 (Shenandoah)	St. Louis rates
	24 (Manning)	Chicago rates, but not to exceed Peoria-Missouri River rates
	25 (Lake City) 26 (Sioux City) 27 (Sioux Falls)	Chicago rates

TABLE 27

BASIS FOR RATES BETWEEN GALESBURG (GROUP H) AND GROUPS INDICATED

BETWEEN THE FOLLOWING GROUP	AND POINTS IN THE FOLLOWING GROUPS	RATE BASIS APPLICABLE
Galesburg (Group H)	1 (Manchester)	Chicago rates
	2 (Cedar Rapids) 3 (Iowa City) 4 (Oskaloosa)	Peoria rates, but not to exceed Mississippi River-Missouri River rates
	5 (Ottumwa)	Peoria or St. Louis rates, whichever are lower, but not to exceed Mississippi River-Missouri River rates
	6 (Cedar Falls) 7 (Reinbeck)	Chicago rates



TABLE 27—Continued

BASIS FOR RATES BETWEEN GALESBURG (GROUP II) AND  
GROUPS INDICATED

BETWEEN THE FOLLOWING GROUP	AND POINTS IN THE FOLLOWING GROUPS	RATE BASIS APPLICABLE
Galesburg (Group H)	8 (Marshalltown) 9 (Montezuma)	Peoria rates, but not to exceed Mississippi River-Missouri River rates
	10 (Waverly) 11 (Mason City) 12 (Ackley) 13 (Iowa Falls)	Chicago rates
	14 (Boone)	Peoria rates, but not to exceed Mississippi River-Missouri River rates
	15 (Ft. Dodge)	Chicago rates
	16 (Cambridge)	Peoria rates, but not to exceed Mississippi River-Missouri River rates
	17 (Des Moines)	Peoria or St. Louis rates, whichever are lower, but not to exceed Mississippi River-Missouri River rates
	18 (Albert Lea) 19 (Faribault) 20 (Mankato)	Chicago rates
	21 (Mexico)	Peoria or St. Louis rates, whichever are lower, but not to exceed Mississippi River-Missouri River rates
	22 (Chillicothe) 23 (Shenandoah)	St. Louis rates
	24 (Manning)	Peoria rates, but not to exceed Mississippi River - Missouri River rates
	25 (Lake City) 26 (Sioux City) 27 (Sioux Falls)	Chicago rates

TABLE 28

BASIS FOR RATES BETWEEN FULTON (GROUP I) AND GROUPS  
INDICATED

BETWEEN THE FOLLOWING GROUP	AND POINTS IN THE FOLLOWING GROUPS	RATE BASIS APPLICABLE
Fulton (Group I)	1 (Manchester)	Chicago rates
	2 (Cedar Rapids)	Peoria rates, but not to ex- ceed Mississippi River-Mis- souri River rates
	3 (Iowa City)	
	4 (Oskaloosa)	
	5 (Ottumwa)	
	6 (Cedar Falls)	Chicago rates
	7 (Reinbeck)	
	8 (Marshalltown)	Peoria rates, but not to ex- ceed Mississippi River-Mis- souri River rates
	9 (Montezuma)	
	10 (Waverly)	Chicago rates
	11 (Mason City)	
	12 (Ackley)	
	13 (Iowa Falls)	
	14 (Boone)	Peoria rates, but not to ex- ceed Mississippi River-Mis- souri River rates
	15 (Ft. Dodge)	Chicago rates
	16 (Cambridge)	Peoria rates, but not to ex- ceed Mississippi River-Mis- souri River rates
	17 (Des Moines)	
	18 (Albert Lea)	Chicago rates
	19 (Faribault)	
	20 (Mankato)	
	21 (Mexico)	Peoria rates, but not to ex- ceed Mississippi River-Mis- souri River rates
	22 (Chillicothe)	St. Louis rates
	23 (Shenandoah)	
	24 (Manning)	Peoria rates, but not to ex- ceed Mississippi River-Mis- souri River rates
	25 (Lake City)	Chicago rates
	26 (Sioux City)	
	27 (Sioux Falls)	

TABLE 29

BASIS FOR RATES BETWEEN PRAIRIE DU CHIEN (GROUP J) AND  
GROUPS INDICATED

BETWEEN THE FOLLOWING GROUP	AND POINTS IN THE FOLLOWING GROUPS	RATE BASIS APPLICABLE
Prairie du Chien (Group J)	1 (Manchester)	Chicago rates
	2 (Cedar Rapids)	Chicago rates, but not to ex- ceed Peoria-Missouri River rates
	3 (Iowa City)	
	4 (Oskaloosa)	
	5 (Ottumwa)	
	6 (Cedar Falls)	Chicago rates
	7 (Reinbeck)	
	8 (Marshalltown)	Chicago rates, but not to ex- ceed Peoria-Missouri River rates
	9 (Montezuma)	
	10 (Waverly)	Chicago rates
	11 (Mason City)	
	12 (Ackley)	
	13 (Iowa Falls)	
	14 (Boone)	Chicago rates, but not to ex- ceed Peoria-Missouri River rates
	15 (Ft. Dodge)	Chicago rates
	16 (Cambridge)	Chicago rates, but not to ex- ceed Peoria-Missouri River rates
	17 (Des Moines)	
	18 (Albert Lea)	Chicago rates
	19 (Faribault)	
	20 (Mankato)	
	21 (Mexico)	Chicago rates, but not to ex- ceed Peoria-Missouri River rates
	22 (Chillicothe)	Peoria rates
	23 (Shenandoah)	
	24 (Manning)	
	25 (Lake City)	Chicago rates
	26 (Sioux City)	
	27 (Sioux Falls)	

TABLE 30

BASIS FOR RATES BETWEEN EAST MISSISSIPPI RIVER PROPORTIONAL (GROUP K) AND GROUPS INDICATED

BETWEEN THE FOLLOWING GROUP	AND POINTS IN THE FOLLOWING GROUPS	RATE BASIS APPLICABLE
East Mississippi River Proportional (Group K)	1 (Manchester) 2 (Cedar Rapids) 3 (Iowa City)	Peoria rates as maximum rates, but not to exceed Mississippi River-Omaha rates
	4 (Oskaloosa) 5 (Ottumwa)	Peoria rates as maximum rates, but not to exceed St. Louis-Kansas City rates
	6 (Cedar Falls) 7 (Reinbeck) 8 (Marshalltown) 9 (Montezuma) 10 (Waverly) 11 (Mason City) 12 (Ackley) 13 (Iowa Falls) 14 (Boone) 15 (Ft. Dodge) 16 (Cambridge)	Peoria rates as maximum rates, but not to exceed Mississippi River-Omaha rates
	17 (Des Moines) 21 (Mexico)	Peoria rates as maximum rates, but not to exceed St. Louis-Kansas City rates
	22 (Chillicothe)	St. Louis-Kansas City rates
	23 (Shenandoah) 24 (Manning) 25 (Lake City) 26 (Sioux City)	Mississippi River-Omaha rates
	27 (Sioux Falls)	Same differentials under Chicago-Sioux Falls rates as East Mississippi River-Sioux City proportional rates are less than Chicago-Sioux City rates

TABLE 31

BASIS FOR RATES BETWEEN CHAMPAIGN (GROUP L) AND GROUPS  
INDICATED

BETWEEN THE FOLLOWING GROUP	AND POINTS IN THE FOLLOWING GROUPS	RATE BASIS APPLICABLE
Champaign (Group L)	1 (Manchester) 2 (Cedar Rapids) 3 (Iowa City) 4 (Oskaloosa) 5 (Ottumwa) 6 (Cedar Falls) 7 (Reinbeck) 8 (Marshalltown) 9 (Montezuma) 10 (Waverly) 11 (Mason City) 12 (Ackley) 13 (Iowa Falls) 14 (Boone) 15 (Ft. Dodge) 16 (Cambridge) 17 (Des Moines) 18 (Albert Lea)	Chicago rates
	19 (Faribault) 20 (Mankato)	St. Louis rates
	21 (Mexico) 22 (Chillicothe) 23 (Shenandoah) 24 (Manning) 25 (Lake City) 26 (Sioux City) 27 (Sioux Falls)	Chicago rates

## CHAPTER VII

### TO TRANS-MISSOURI TERRITORY

This chapter deals with the construction of rates to and from what is generally known as Trans-Missouri Territory, embracing the states of Kansas and Nebraska and part of the states of Colorado and Missouri.

#### 1. DESCRIPTION OF EAST END GROUPS

The states of Illinois, Iowa, Minnesota, Wisconsin, and that part of Missouri lying in Western Trunk Line Territory are divided into twenty-five groups. The borders of these groups are as follows, some of the points located in each group being also shown for convenience in locating them.

##### *Group 1*

The borders of the Mississippi River Group are the same as on Missouri River traffic.

##### *Group 2*

The borders of the Peoria Group are the same as on Missouri River traffic.

##### *Group 3*

The borders of the Chicago Group are the same as on Missouri River traffic.

*Group 4*

The borders of the St. Paul Group are the same as on Missouri River traffic.

*Group 5*

Beginning at a point just west of Moody, Mo., and thence west of the Chicago, Burlington & Quincy Railroad to but not including Burlington, Iowa; thence west of the Chicago, Rock Island & Pacific Railway to a point just west of Columbus Junction, Iowa; thence north of the Chicago, Rock Island & Pacific Railway to a point just north of Muscatine, Iowa; thence north of the Chicago, Milwaukee & St. Paul Railway to a point just north of Davenport, Iowa; thence west of the Chicago, Milwaukee & St. Paul Railway to Clinton, Iowa; thence west of the Chicago & North-Western Railway to a point just west of Almont, Iowa; thence west of the Chicago, Milwaukee & St. Paul Railway to a point northwest of Dubuque, Iowa; thence north of the Chicago Great Western Railroad to a point west of Oneida Junction, Iowa; thence north of the Manchester & Oneida Railway to but not including Manchester, Iowa; thence east of the Illinois Central Railroad to a point just east of Cedar Rapids, Iowa (but not including Marion, Iowa); thence east of the Chicago, Milwaukee & St. Paul Railway to but not including Sigourney, Iowa; thence north of the Chicago, Rock Island & Pacific Railway to but not including Washington, Iowa; thence west of the Chicago, Rock Island & Pacific Railway to a point just west of Brighton; thence east of the Chicago, Rock Island & Pacific Railway to a point just east of Belknap; thence east of the Wabash

Railroad to a point just east of Bloomfield, Iowa; thence east of the Wabash Railroad to a point just east of Clark, Mo.; thence following an imaginary line south to a point north of McBaine, Mo.; and thence north of the Missouri, Kansas & Texas Railway to the boundary line of Group 25.

Some of the representative points in this group are stations on the Illinois Central Railroad from Julien to Peosta, Iowa.

*Group 6*

Beginning at a point just west of Dubuque, Iowa, and thence west of the Chicago, Milwaukee & St. Paul Railway to the Minnesota state line; thence west via the Minnesota state line to a point just east of Huntington, Iowa; thence east of the Minneapolis & St. Louis Railroad to but not including Estherville, Iowa; thence east of the Chicago, Rock Island & Pacific Railway to a point just east of Emmetsburg, Iowa; thence north of the Chicago, Milwaukee & St. Paul Railway to a point just east of Mason City, Iowa; thence east of the Iowa Central Railway to a point just east of Hampton, Iowa; and thence north of the Chicago Great Western Railroad to the point of beginning.

Some of the representative points in this group are stations on the Illinois Central Railroad from Irma to St. Ansgar, Iowa.

*Group 7*

Beginning at a point just west of Oelwein, Iowa, and thence west of the Chicago Great Western Railroad to a point just east of Des Moines, Iowa; thence west of the Chicago, Rock Island & Pacific Railway to a point just



south of Carlisle, Iowa; thence east of the Chicago, Burlington & Quincy Railroad to a point east of Humeston, Iowa; thence south to the Missouri state line, west of Lineville; and thence east via the Missouri state line to the western boundary line of Group 5.

Some of the representative points in this group are stations on the Illinois Central Railroad from Manchester to Robins, Iowa.

### *Group 8*

Beginning at a point northeast of Hampton, Iowa, and thence north of the Chicago Great Western Railroad to a point northeast of Ft. Dodge, Iowa; thence east of the Chicago Great Western Railroad to a point east of Border Plains, Iowa; thence east of the Des Moines River to a point north of Boone, Iowa; thence north of the Chicago & North-Western Railway to a point east of Ames, Iowa; and thence east of the Chicago & North-Western Railway to but not including Des Moines, Iowa.

Some of the representative points in this group are stations on the Illinois Central Railroad from Cedar Falls to Judd, Iowa.

### *Group 9*

Beginning at the southeast corner of Group 7 and thence northwest via an imaginary line to a point just east of Leon, Iowa; thence east of the line of the Chicago, Burlington & Quincy Railroad through Lamoni, Iowa, to a point just east of Bethany, Mo.; thence south via an imaginary line to a point just north of Cypress; thence east of the Wabash Railroad to a point just east of Gal-

latin, Mo.; thence north of the Chicago, Burlington & Quincy Railroad to a point east of Chillicothe, Mo.; thence south via an imaginary line west of Bogard and east of Carrollton, Mo., to the Missouri River; thence east via the Missouri River to but not including Booneville, Mo.; thence west of the Missouri, Kansas & Texas Railway to a point north of Franklin Junction, Mo.; and thence north of the Missouri, Kansas & Texas Railway to the western boundary line of Group 5.

Some of the representative points in this group are stations on the Missouri, Kansas & Texas Railway from Moberly to Estill, Mo.

#### *Group 10*

Beginning at the southwest corner of Group 9 and thence west via the Missouri River to a point southwest of Myrick, Mo.; thence south of the Missouri Pacific Railway to a point east of Sedalia, Mo.; thence east of the Missouri, Kansas & Texas Railway to a point just south of Windsor, Mo.; and thence south of the St. Louis, Kansas City & Colorado Railroad (including the Warsaw branches of the Missouri Pacific Railway) to the western boundary line of Group 25.

Some of the representative points in this group are stations on the Missouri, Kansas & Texas Railway from Portland to Wainwright, Mo.

#### *Group 11*

Beginning at a point southwest of Myrick, Mo., and thence west via the Missouri River to but not including Kansas City, Mo.; and thence south of the St. Louis, Kan-

sas City & Colorado Railroad to the western boundary line of Group 10.

Some of the representative points in this group are stations on the Missouri, Kansas & Texas Railway from Sutherland to Holden, Mo.

### *Group 12*

Beginning at the western boundary line of Group 8, at a point just north of Cypress, Mo.; thence north of the Wabash Railroad to a point west of Pattonsburg, Mo.; thence west of the Quincy, Omaha & Kansas City Railroad to a point just west of Plattsburg; thence north of the Atchison, Topeka & Santa Fe Railway to a point just east of Gower, Mo.; thence east of the Quincy, Omaha & Kansas City Railroad to a point just east of Trimble, Mo.; and thence southeast via an imaginary line east of Liberty and South Liberty to the Missouri River.

Some of the representative points in this group are stations on the Chicago, Burlington & Quincy Railroad from Keystone to Chandler, Mo.

### *Group 13*

Beginning at the western boundary line of Group 11 at a point just east of Gower, Mo.; thence northwest via an imaginary line crossing the Chicago, Burlington & Quincy Railroad east of Easton, Mo., the Chicago, Rock Island & Pacific Railway east of Stockbridge, Mo., the Chicago, Burlington & Quincy Railroad north of Clair, Mo., and the Chicago Great Western Railroad north of Savannah, Mo.; thence west to a point north of Nodaway, Mo.; and thence east of the Chicago, Burlington & Quincy Rail-

road to a point on the Missouri River just east of Kansas City.

Some of the representative points in this group are stations on the Chicago, Burlington & Quincy Railroad from Liberty to Randolph, Mo.

*Group 14*

Beginning at the northwest corner of Group 8, at a point just east of Leon, Iowa; thence north of Leon, Iowa, and the Chicago, Burlington & Quincy Railroad to a point north of Mt. Ayr, Iowa; thence north via an imaginary line through a point east of Diagonal, Iowa, to a point northeast of Creston, Iowa; thence crossing the Chicago, Burlington & Quincy Railroad north of Creston, Iowa, and east of Burns, Iowa; thence south of the Chicago, Burlington & Quincy Railroad to a point west of Nodaway, Iowa; thence north of the Chicago, Burlington & Quincy Railroad to a point northwest of Red Oak, Iowa; thence south of the Chicago, Burlington & Quincy Railroad to but not including Hastings, Iowa; thence north of Hastings, Iowa, and east of the Wabash Railroad to a point just east of Council Bluffs, Iowa; and thence east of the Chicago, Burlington & Quincy Railroad to the northern boundary line of Group 13.

Some of the representative points in this group are stations on the Chicago, Burlington & Quincy Railroad from Mound City to Quitman, Mo.

*Group 15*

Beginning at the northern boundary line of Group 13 at a point northeast of Creston, Iowa; thence via an imag-

inary line west of Winterset, Iowa, to a point south of De Soto, Iowa; thence south of the Chicago, Rock Island & Pacific Railway to but not including Des Moines, Iowa; thence north, crossing the Chicago, Rock Island & Pacific Railway and the Chicago, Milwaukee & St. Paul Railway to a point just north of Des Moines, Iowa; thence east of the Chicago & North-Western Railway to a point north of Ames, Iowa; thence north of the Chicago & North-Western Railway to a point east of Carroll, Iowa; thence east of the Chicago & North-Western Railway to a point just east of Manning, Iowa; thence west of the Chicago & North-Western Railway to a point just east of Atlantic, Iowa; and thence east of the Chicago, Rock Island & Pacific Railway to the northern boundary line of Group 14.

Some of the representative points in this group are stations on the Chicago, Burlington & Quincy Railroad from Cromwell to Nodaway, Iowa.

#### *Group 16*

Comprising territory bounded by Groups 7, 9, 14, and 15.

A representative point in this group is Des Moines, Iowa.

#### *Group 17*

Beginning at the northern boundary line of Group 14, at a point just north of Boone, Iowa; thence north via the Des Moines River to a point south of Border Plains, Iowa; thence east of the Chicago Great Western Railroad to a point north of Ft. Dodge, Iowa; thence north of the Illi-

nois Central Railroad to Wall Lake, Iowa; thence west of the Chicago & North-Western Railway to but not including Denison, Iowa; thence south of the Chicago & North-Western Railway to a point just east of Maple River Junction; and thence north of the Chicago & North-Western Railway to the point of beginning.

Some of the representative points in this group are stations on the Illinois Central Railroad from Gypsum to Deloit, Iowa.

*Group 18*

Beginning at a point north of Tara, Iowa, and thence north of the Illinois Central Railroad to a point just west of Le Mars; thence west of the Chicago, St. Paul, Minneapolis & Omaha Railway to but not including Sioux City, Iowa; thence via the Missouri River to a point west of Onawa, Iowa; thence north of the Chicago & North-Western Railway to a point north of Mapleton; thence east to a point north of Boyer; and thence north of the Illinois Central Railroad to the point of beginning.

Some of the representative points in this group are stations on the Illinois Central Railroad from Barnum to Sulphur Springs, Iowa.

*Group 19*

Beginning at the northwest corner of Group 6 and thence west via the Iowa-Minnesota state line to a point southeast of Round Lake, Minn.; thence east of the Chicago, Rock Island & Pacific Railway to a point north of Worthington, Minn.; and thence west of the Chicago, St. Paul, Minneapolis & Omaha Railway to the northern boundary line of Group 18.

Some of the representative points in this group are stations on the Illinois Central Railroad from Larrabee to Sheldon, Iowa.

*Group 20*

Territory bounded by Groups 14, 15, 17, and 18 on the southeast and north, and by the Missouri River on the west.

Some of the representative points in this group are stations on the Illinois Central Railroad from Arion to Council Bluffs, Iowa.

*Group 21*

Beginning at a point just north of Bluff Siding, Wis., and thence north of the Chicago Great Western Railroad to a point north of St. Charles, Minn.; thence north of the Chicago & North-Western Railway to a point just east of Mason, Minn.; thence east of the Chicago Great Western Railroad to a point just north of Randolph, Minn.; thence west of the Chicago, Milwaukee & St. Paul Railway to a point just west of Faribault, Minn.; thence north of the Chicago Great Western Railroad to a point northwest of Waterville, Minn.; thence west of the Minneapolis & St. Louis Railroad to a point just north of Albert Lea, Minn.; thence north of the Chicago, Milwaukee & St. Paul Railway to a point east of Ramsey, Minn.; thence east of the Chicago Great Western Railroad to a point just east of Lyle, Minn.; thence following the Iowa state line to a point east of LeRoy, Minn.; thence east of the Chicago Great Western Railroad to a point southeast of Spring Valley, Minn.; thence south of the Chicago, Milwaukee & St. Paul Railway to a point just east of La Crosse, Wis.;

and thence east of the Chicago & North-Western Railway to the point of beginning.

Some of the representative points in this group are Winona, Waterville, New Richland, and Manchester, Minn.

*Group 22*

Same as on Missouri River adjustment.

*Group 23*

Beginning at a point northwest of Waterville, Minn., and following an imaginary line to a point north of St. Peter, Minn.; thence south of the Chicago & North-Western Railway to a point north of Sleepy Eye, Minn.; thence south of the Chicago & North-Western Railway to a point just east of Rowena, Minn.; thence northwest to a point just south of Hanley Falls, Minn.; thence east of the Great Northern Railway to a point just south of Wilmar, Minn.; thence west of the Great Northern Railway to a point just south of Jasper, Minn.; thence following an imaginary line to a point south of Hardwick, Minn.; thence north of the Chicago, Rock Island & Pacific Railway to a point west of Prairie Junction; thence north of the Chicago, St. Paul, Minneapolis & Omaha Railway to a point north of Mankato, Minn.; and thence north of the Chicago Great Western Railroad to the point of beginning.

Some of the representative points in this group are stations on the Chicago & North-Western Railway from Rowena to Burchards, Minn.

*Group 24*

Beginning at a point just northwest of Waterville, Minn., and thence north of the Chicago Great Western



Railroad to a point north of Mankato Junction; thence north of the Chicago, St. Paul, Minneapolis & Omaha Railway to a point just west of Prairie Junction, Minn.; thence following an imaginary line south of the Chicago, Milwaukee & St. Paul Railway to the Iowa state line; thence east to a point just east of Lyle, Minn.; thence east of the Chicago Great Western Railroad to a point north of Austin, Minn.; thence north of the Chicago, Milwaukee & St. Paul Railway to a point just north of Albert Lea, Minn.; and thence west of the Minneapolis & St. Louis Railroad to the point of beginning.

Representative points in this group are Mankato and Albert Lea, Minn.

#### *Group 25*

Beginning at a point just west of Moody, Mo., and thence west of the Chicago, Burlington & Quincy Railroad to but not including Cuivre Junction, Mo.; thence south of the Chicago, Burlington & Quincy Railroad to but not including West Alton, Mo.; thence west of the line of the Chicago, Burlington & Quincy Railroad to but not including St. Louis, Mo.; thence west of the St. Louis, Iron Mountain & Southern Railway to a point south of Nursery, Mo.; thence south of the Missouri Pacific Railway to a point just south of Valley Park, Mo.; thence south of the St. Louis & San Francisco Railroad to a point just south of Pacific, Mo.; thence south of the Missouri Pacific Railway to a point just south of Labadie, Mo.; thence south of the St. Louis, Kansas City & Colorado Railroad to a point just west of Bland, Mo.; thence following an imaginary line directly north to a point north of Bluffton, Mo.; thence north of the Missouri, Kansas & Texas Railway

to a point just north of Defiance, Mo.; thence north via an imaginary line to a point just west of Gilmore, Mo.; thence west of the St. Louis & Hannibal Railway to Bear Creek, Mo.; and thence west of the Chicago, Burlington & Quincy Railroad (but not including Palmyra, Mo.) to the point of beginning.

Some of the representative points in this group are stations on the Missouri Pacific Railway from Mentor to Creve Coeur, Mo.

## 2. DESCRIPTION OF WEST END GROUPS

Similarly, the states in Trans-Missouri Territory are grouped. These groups are known as the West End Groups.

### *Group E*

Beginning at a point just south of Pleasant Hill, Mo., and thence east of the Missouri Pacific Railway to a point just east of Carbon Center, Mo.; thence east of the Missouri Pacific Railway through Nevada, Lamar, Carthage, Webb City, and Granby, Mo.; thence east of the St. Louis & San Francisco Railroad to Neosho, Mo.; thence west of the Kansas City Southern Railway to the Missouri-Arkansas state line; thence east on the Missouri-Arkansas state line to a point just east of the place where the St. Louis & San Francisco Railroad crosses the state line; thence east of the St. Louis & San Francisco Railroad to a point just east of Springfield, Mo.; thence east of the St. Louis & San Francisco Railroad to a point just east of North Clinton, Mo.; thence east of the Missouri, Kansas & Texas Railway to a point just south of Windsor, Mo.;

and thence south of the Missouri, Kansas & Texas Railway to the point of beginning.

Some of the representative points in this group are Anderson and Washburn, Mo., Walnut Grove, Neb., and Seligman, Mo.

### *Group F*

Beginning at a point just north of Nevada, Mo., and thence westwardly just north of the Missouri, Kansas & Texas Railway to the Kansas state line, just east of Fort Scott, Kan.; thence north on the state line to but not including Kansas City, Kan.; thence following an imaginary line south of Leeds, Mo., to a point west of Little Blue, Mo., on the Missouri Pacific Railway; and thence west of the Missouri Pacific Railway to the boundary line of Group E.

Representative points in this group are Barton and Raymore, Mo.

### *Group G*

Beginning at a point just south of Kansas City, Kan., and thence south of the Atchison, Topeka & Santa Fe Railway to a point just east of Lawrence, Kan.; thence west of the Atchison, Topeka & Santa Fe Railway to a point west of Vinland, Kan.; thence following an imaginary line south of Vinland, Kan., and east of Wellsville, Kan.; thence south to a point west of Osawatomie, Kan.; thence west of the Atchison, Topeka & Santa Fe Railway to a point just west of Chanute, Kan.; thence west of the Missouri, Kansas & Texas Railway to a point southwest of Chetopa, Kan.; and thence east to the western boundary line of Groups E and F to the point of beginning.

Representative points in this group are Badger, Columbus, Rollin, and Radley, Kan.

*Group H*

Beginning at a point just west of Kansas City, Mo., and following the Missouri River to the Nebraska state line; thence west to a point just west of the Missouri Pacific Railway; thence west of the Missouri Pacific Railway to a point south of Shannon, Kan.; thence following an imaginary line to a point southwest of Lee, Kan.; thence south of the Leavenworth, Kansas & Western Railway to a point west of Leavenworth, Kan.; and thence west of the Atchison, Topeka & Santa Fe Railway to the northern boundary line of Group G, just west of Holliday, Kan.

Representative points in this group are Hiawatha, Quindaro, and Pomeroy, Kan.

*Group I*

Beginning at a point just west of Lawrence, Kan., and following an imaginary line to a point just west of Oskaloosa, Kan.; thence west of the Missouri Pacific Railway (Kansas City North-Western Division) to the Nebraska state line; and thence east to the northwestern boundary of Group H.

Representative points in this group are Ontario and McLouth, Kan.

*Group J*

Beginning at a point just southwest of Lawrence, Kan., and thence west of the Atchison, Topeka & Santa Fe

Railway to a point just west of Ottawa, Kan.; thence south of the Atchison, Topeka & Santa Fe Railway to a point just east of Emporia, Kan.; thence following an imaginary line to a point north of Emporia, Kan.; thence west of Emporia, Kan., to a point just north of Potwin, Kan.; thence south of the Missouri Pacific Railway to a point just west of Newton, Kan.; thence following an imaginary line to a point northwest of Medora, Kan.; thence west of the Chicago, Rock Island & Pacific Railway to a point southwest of Hutchinson, Kan.; thence south of the Missouri Pacific Railway to a point west of Wichita, Kan.; thence west of the Kansas City, Mexico & Orient Railway to a point west of Harper; thence south of the southern boundary line of Kansas; and thence east to the western boundary line of Group G.

Representative points in this group are Anthony, Coffeyville, and Riverdale, Kan.

#### *Group K*

All territory west of the western boundary lines of Groups G, I, J, O, and R, to which rates are published.

Representative points in this group are Grand Island and Riverdale, Neb.

#### *Group L*

Beginning at a point just northwest of Beatrice, Neb., and thence west of the Chicago, Burlington & Quincy Railroad to a point just south of Armour, Neb.; thence west of the Kansas City North-western Division of the Missouri Pacific Railway to the Kansas state line; thence following the northern boundary line of Group I to a point just south of Falls City, Neb.; thence east of Falls

City, Neb., and north of the Chicago, Burlington & Quincy Railroad to a point just north of Table Rock, Neb.; and thence north of the Chicago, Rock Island & Pacific Railway to the point of beginning.

Representative points in this group are Beatrice and Mayberry, Neb.

### *Group M*

Beginning at the Kansas state line just south of Rulo, Neb., and following the Missouri River to a point just east of Omaha Junction, Neb.; thence west to a point west of the Missouri Pacific Railway and north of Omaha Junction, Neb.; thence west of the Missouri Pacific Railway to a point just north of Salem, Neb.; thence north of the Chicago, Burlington & Quincy Railroad to a point east of Falls City, Neb.; and thence south to the Kansas state line and east to the point of beginning.

Representative points in this group are Union and Paul, Neb.

### *Group N*

Beginning at a point northwest of Omaha Junction, Neb., and thence north and east of the Missouri Pacific Railway to a point south of Louisville, Neb.; thence west of the Platte River to a point west of Yutan, Neb.; thence following an imaginary line to a point just east of Arlington, Neb.; thence north of the Union Pacific Railroad to a point west of Sand Pit, Neb.; thence west of the Chicago & North-Western Railway to a point just west of Wahoo, Neb.; thence west of the Union Pacific Railroad to a point west of Lincoln, Neb.; thence west of the Chi-

eago, Burlington & Quincy Railroad to the northwestern boundary of Group L; and thence following the northern boundary of Group L and the eastern boundary of Group M to the point of beginning.

Representative points in this group are Lincoln, Fremont, and Walton, Neb.

### *Group O*

Beginning at a point on the southwestern boundary of Group L and following the Kansas state line to a point just west of Chester, Neb.; thence west of the Chicago, Burlington & Quincy Railroad to a point west of Geneva, Neb.; thence west of the Chicago, Burlington & Quincy Railroad to a point just west of David City, Neb.; thence north to a point just west of Schuyler, Neb.; thence north of the Union Pacific Railroad to a point just west of Sand Pit, Neb.; and thence following the western boundary lines of Groups N and L to the point of beginning.

Representative points in this group are Ames, Steele City, and North Bend, Neb.

### *Group P*

Beginning at a point on the Missouri River just north of Omaha, Neb., and thence west to a point east of West Side, Neb.; thence following an imaginary line to a point just northwest of Omaha Junction; thence east to the Missouri River; and thence north of the Missouri River to the point of beginning.

A representative point in this group is West Side Junction, Neb.

*Group Q*

Beginning at a point on the Missouri River west of Little Sioux, Iowa; thence west to a point northwest of Eureka, Neb.; thence south to a point northwest of Arlington, Neb.; thence following the east boundary of Group N and the west boundary of Group P to the Missouri River; and thence north on the Missouri River to the point of beginning.

Representative points in this group are Meadow, Waterloo, and Millard, Neb.

*Group R*

Beginning at a point just north of Arlington, Neb., and following the northern boundary of Groups N and O to a point northwest of Schuyler, Neb.; thence following an imaginary line north to a point west of Clarkson, Neb.; thence northeast to a point north of Beemer, Neb.; thence east to the northeast border of Group M; thence following the west boundary of Group Q to the point of beginning.

Representative points in this group are Howell, Kan., and Dodge, Neb.

*Group S*

Beginning at a point just north of Beemer, Neb., and following an imaginary line east of Winside, Neb., to a point south of Plain View, Neb.; thence south of the Chicago, Burlington & Quincy Railroad to a point west of O'Neill, Neb.; thence following an imaginary line to a point on the Missouri River north of Niobrara, Neb.;



thence following the Missouri River to the northeast boundary line of Group Q; and thence west along the northern boundary line of Groups Q and R to the point of beginning.

A representative point in this group is Niobrara, Neb.

### 3. ADJUSTMENT

The basing factor in this adjustment, as in the case of the Missouri River rates, is the rate from St. Louis which is first arrived at, rates from other territories being made with relation to these rates under a differential adjustment.

Table 32 shows the rates applying between points located on the Union Pacific Railway from Kansas City, Mo., to Denver, Colo., and St. Louis and other groups.

This is taken as a representative line of rates in this territory. Rates to stations on other lines are similarly established and the treatment of one should suffice for the others.

As far as possible the rates are constructed on the distance principles, the short line distance between various points being taken as maximum.

## 112 FREIGHT RATES—WESTERN TERRITORY

TABLE 32

CLASS RATES APPLYING BETWEEN CERTAIN STATIONS ON THE  
UNION PACIFIC RAILWAY WEST OF KANSAS CITY AND  
ST. LOUIS, CHICAGO, AND OTHER GROUPS

MILES <sup>1</sup>	BETWEEN	AND GROUPS	RATES IN CENTS PER 100 POUNDS									
			Classes <sup>2</sup>									
			1	2	3	4	5	A	B	C	D	E
17	Bonner Springs, Kan. ....	1 <sup>3</sup>	60	45	35	27	22	24½	19½	17	13½	11
39	Lawrence, Kan..	1	74	58	45	36	25	30	25	22	18	14
69	Topeka, Kan....	1	80	62	49	38	28	32	26	22	18	15
119	Manhattan, Kan.	1	90	73	60	46	36	38½	31½	26	21	16½
150	Junction City, Kan. ....	1	100	81	66½	51	42	43	35	28	22	16½
172	Solomon, Kan....	1	106	86	71	54½	44½	46½	37½	30½	23½	18
186	Salina, Kan.....	1	107	88	72	55	45	47	38	31	24	19
377	Oakley, Kan.....	1	141	118	98	78	61	66	53	44	36	29
		4 <sup>4</sup>	162	127	101	80½	63	74	56	50	42	35
398	Winona, Kan....	1	141	118	98	78	61	66	53	44	36	29
		2 <sup>5</sup>	162	127	101	80½	63	74	56	50	42	35
		1	162	127	101	80½	63	74	56	50	42	36
550	Limon, Colo. ....	2	171	136	105½	82¾	65	77½	59½	52	44½	38
		3 <sup>6</sup>	180	145	110	85	67	80½	63	54	47	40
		4	162	127	101	80½	63	74	56	50	42	36
		1	162	127	101	80½	63	74	56	50	42	36
618	Watkins, Colo....	2	171	136	105½	82¾	65	77½	59½	52	44½	38
		3	180	145	110	85	67	80½	63	54	47	40
		4	162	127	101	80½	63	74	56	50	42	36
		1	162	127	101	80½	63	74	56	50	41½	33
470	Ascalon, Colo....	2	171	136	105½	82¾	65	77½	59½	52	44	35½
		3	180	145	110	85	67	80½	63	54	46½	38
		4	162	127	101	80½	63	74	56	50	42	36

<sup>1</sup> From Kansas City, Mo.<sup>2</sup> Governed by the Western Classification.<sup>3</sup> St. Louis Group.<sup>4</sup> St. Paul Group.<sup>5</sup> Peoria Group.<sup>6</sup> Chicago Group.

The figures shown in the first column indicate the actual distances that the points shown are from Kansas City, Mo.

Note particularly that the increase in rates from the St. Louis Group is gradual until Ascalon, Colo., is reached, and that from there west to Walkins, Colo., which is but a short distance from Denver, the same scale of rates is applied. This is the St. Louis-Denver (Colorado Common Point) rate and is held as a maximum and not exceeded at intermediate points. The same principle involves the rates from St. Paul, except that in the case of these rates the blanketing of the Denver rate is begun much nearer the Missouri River than in the case of St. Louis. This is due, however, to the greater distance involved in the haul from the St. Paul Group to points located in these groups.

The number of exceptions made to the following basis prohibits its use except where specific rates are not published from these groups.

#### 4. APPLICATION OF RATES

To make through rates from or to Group 2 (Peoria), Group 3 (Chicago), and Group 4 (St. Paul), add the differentials shown in Table 33 to Group 1 (St. Louis) rates.

TABLE 33

DIFFERENTIALS USED IN CONSTRUCTING THROUGH RATES FROM OR TO PEORIA, CHICAGO, AND ST. PAUL GROUPS

FROM OR TO GROUPS	DIFFERENTIALS IN CENTS PER 100 POUNDS										
	Classes <sup>1</sup>										REMARKS
	1	2	3	4	5	A	B	C	D	E	
2	10	10	5	2½	2½	3¾	3¾	2½	2½	2½	Over St.
3	20	20	10	5	5	7½	7½	5	5	5	Louis
4	25	24	13	7	6	9½	8½	6	6½	6	Rates

<sup>1</sup> Governed by the Western Classification.

For example, if it were desired to construct a rate from Peoria, Ill., to Salina, Kan., by referring to Table 32 it will be seen that no rates are published from Peoria (Group 2). The basis shown in Table 33 may therefore be used, which would result in the following through rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
St. Louis to Salina, Kan. ....	107	88	72	55	45	47	38	31	24	19
Differentials ...	10	10	5	2½	2½	3¾	3¾	2½	2½	2½
Through rates ..	117	98	77	57½	47½	50¾	41¾	33½	26½	21½

It should be borne in mind that this adjustment is not applied when through rates are published and that through rates are published in many instances wherein this basis is disregarded, as is shown by the rates from Groups 2, 3, and 4 to the points shown in Table 32.

The basis for the construction of rates from other east end groups is set forth in Table 34. This table shows both lettered and numbered groups and care should be observed that the proper combination of lettered and numbered groups is employed when establishing rates.

TABLE 34

BASIS FOR CONSTRUCTION OF RATES BETWEEN STATIONS EAST AND  
WEST OF THE MISSOURI RIVER

BETWEEN GROUPS	AND GROUPS												
	Classes												
	E	F	G	H	I	J	K	L	M	N	O	P	Q
	These numbers refer to notes following the table												
5	1	1	1	1	1	1	2	1	1	1	1	1	1
6	3	3	3	3	3	3	2	3	3	3	2	2	2
7	1	1	1	1	1	1	2	1	1	1	2	1	2
8	4	4	4	1	1	1	2	1	1	1	2	1	2
9	1	1	1	1	1	2	2	1	1	1	2	1	1
10	1	1	1	1	2	2	2	1	1	1	2	1	1
11	1	1	2	1	2	2	2	1	1	1	2	1	1
12	1	2	2	2	2	2	2	1	1	1	2	1	1
13	2	2	2	2	2	2	2	2	2	2	2	2	2
14	1	2	2	2	2	2	2	2	2	2	2	2	2
15	4	4	4	1	1	2	2	2	2	2	2	2	2
16	1	1	1	1	1	1	2	2	2	2	2	2	2
17	4	4	4	1	1	1	2	1	1	2	2	2	2
18	5	5	5	1	1	1	2	1	1	2	2	2	2
19	5	5	5	3	3	3	2	2	3	2	2	2	2
20	4	4	4	1	1	2	2	2	2	2	2	2	2
21	6	6	6	6	6	6	6	6	6	6	6	6	6
22	2	2	2	2	2	2	7	5	5	5	5	5	5
23	8	8	8	8	8	8	9	8	8	8	2	8	8
24	6	6	6	6	6	6	10	8	8	8	2	8	8
25	1	1	1	1	1	1	1	1	1	1	1	1	1

NOTE 1. Apply Mississippi River rates.

NOTE 2. No through class rates are authorized; some few commodity rates are published but these are on no general basis.

NOTE 3. Apply Group 2 (Peoria) rates or Group 4 (St. Paul) rates, whichever are lower.

NOTE 4. Apply Peoria rates.

NOTE 5. Apply Chicago rates.

NOTE 6. Apply Group 3 (Chicago) rates or Group 4 (St. Paul) rates, whichever are lower.

NOTE 7. To stations in Group K in Colorado and Nebraska apply Chicago rates. No through rates are in effect to points in Group K in Kansas.

NOTE 8. Apply St. Paul rates.

NOTE 9. To stations in Group K in Colorado and Kansas apply St. Paul rates. To stations in Group K in Nebraska no through rates are in effect.

NOTE 10. To stations in Group K in Colorado and Kansas apply Group 3 (Chicago) rates or Group 4 (St. Paul) rates, whichever are lower.

The basis set forth in Table 34 is used in the following manner: Suppose, for example, it is desired to construct rates between Anthony, Kan., and Winona, Minn. Anthony, Kan., is shown in Group J (west end) and Winona, Minn., is shown in Group 21 (east end). Follow down the numbered groups shown on the left of the above table until Group 21 is reached and then follow the figures across until the figure under the lettered group "J" is reached. This figure is 6 and refers to note 6 at the foot of the table, which states that between points located in Groups 21 and "J" rates are made the same as the Chicago or St. Paul rates, whichever are lower. Referring to Table 35, it will be found that no rates are published from either Chicago or St. Paul and it becomes necessary to construct those rates in accordance with the basis previously set forth in Table 33, using the Mississippi River rate shown in Table 35 as the basing factor. The following is an illustration:

Classes .....	1	2	3	4	5	A	B	C	D	E
Mississippi River to										
Anthony, Kan....	124	102	86	70	54	57	43	38	31	24
Chicago differentials	20	20	10	5	5	7½	7½	5	5	5
Through rates ....	144	122	96	75	59	64½	50½	43	36	29

As it may be easily seen that the Chicago differentials are in all cases less than those applying from St. Paul, there is no occasion to apply those in connection with the above St. Louis rates, because they would result in higher rates than those from Chicago. As the lower of the two is to be applied, it is seen that the scale from Winona, Minn., to Anthony, Kan., would be the Chicago scale above shown.

TABLE 35

CLASS RATES FROM MISSISSIPPI RIVER GROUP TO WEST END GROUPS

BETWEEN MISSISSIPPI RIVER GROUP AND GROUPS	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
E (Anderson, Mo.)..	87	68	58	41½	33½	37	28	21½	18	17
F (Barton, Mo.)...	62	52	40	32	25	28	23½	18	15	13
G (Peacock, Kan.)..	77	65	52	40	31	35½	27½	21½	17	15
H (Quindaro, Kan.)	60	45	35	27	22	24½	19½	17	13½	11
I (Ontario, Kan.)..	72	57	41	34	27	29½	23½	21	17½	14
J (Anthony, Kan.)	124	102	86	70	54	57	43	38	31	24
K (Grand Island, Neb.) .....	111	90½	73	57	48	49½	37½	32½	24½	18½
L (Beatrice, Neb.)..	72	57	43	35	28	30½	25½	23	19½	16
M (Union, Neb.)...	60	45	35	27	22	24½	19½	17	13½	11
N (Lincoln, Neb.)..	65	50	39	31	25	27½	22½	20	16½	14
O (Ames, Neb.)....	70	55	44	35	28	30½	25½	22	18½	15
Q (Meadow, Neb.)..	65	50	39	31	25	27½	22½	20	16½	14

<sup>1</sup> Governed by the Western Classification.

It must be understood, however, that these rates do not apply to all points in the same groups; that is, different rates are applied to points in the same groups, and the tariff should always be consulted to determine the rates from the Mississippi River, etc.

In Table 35 are reproduced rates to all of the groups shown under this basis which are published by the Western Trunk Line Committee in Tariff No. 18-H. Note that from some of the groups on the west end, such as R and S, no through rates are published.

Rates are not shown for the reason that the lines on which points in these groups are located have not authorized the Western Trunk Line Committee to publish these rates for them, but continue to publish the rates in their

individual issues. The rates so published, however, are in conformity with the basis set forth, which is agreed to by all lines in this territory.

### 5. LOCAL RATES

In Tables 36 and 37 are some of the class distance rates of the Chicago & North-Western and Wyoming & North-Western railroads, which are used in constructing rates between points in Nebraska, South Dakota, and Wyoming. These rates are used generally on local traffic and are applied from all points which may not be affected by some through adjustment. Note particularly that the rates for some of the distances are not the same. This is due to the fact that these rates are established by the individual carriers without regard to the action taken by competing lines, except that when deemed advisable the longer line may elect to meet the short-line rates, if less, at some junction points. If this is done, it becomes necessary to reduce to the junction-point basis all points up to the junction.

TABLE 36

CLASS DISTANCE RATES APPLYING BETWEEN STATIONS ON THE CHICAGO & NORTH-WESTERN RAILWAY IN NEBRASKA

MILES	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
5.....	13	11	9	7	6	6	5	4	4	3
20.....	20	17	15	13	9	9	8	7	5	3.5
40.....	28	25	22	19	14	14	10	8	6	4
100.....	52	45	40	35	30	24	16	14	10	7
200.....	73	65	58	46	41	34	26	22	16	10
400.....	110	102	88	76	71	64	50	40	31	22
500.....	160	152	126	106	101	94	74	60	43	27
600.....	184	173	156	136	130	115	94	76	53	32

<sup>1</sup> Governed by the Nebraska Classification.



TABLE 37

CLASS DISTANCE RATES APPLYING BETWEEN STATIONS ON THE  
 WYOMING & NORTH-WESTERN RAILWAY AND CHICAGO &  
 NORTH-WESTERN RAILWAY IN WYOMING, NEBRASKA,  
 AND SOUTH DAKOTA (WEST OF THE MISSOURI RIVER)

MILES	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
5.....	13	11	9	7	6	6	5	4	4	3
20.....	24	20	18	16	12	11	10	8	6	4
40.....	34	30	26	23	18	17	12	10	7	6
100.....	62	54	46	41	36	29	19	17	12	8
200.....	88	78	67	55	50	41	31	26	20	13
400.....	126	116	98	84	79	70	56	44	36	22
750.....	266	215	191	170	165	146	124	106	81	39½

<sup>1</sup> Governed by the Western Classification.

## CHAPTER VIII

### RATES TO AND FROM COLORADO COMMON POINTS

#### 1. DEVELOPMENT

In applying the basis used in the construction of rates to points in this territory, Denver, Pueblo, and Trinidad, Colo., Cheyenne, Wyo., Royce, N. M., and several hundred other stations which are intermediate or adjacent thereto are grouped and given the territorial designation of Colorado Common Points. The list varies somewhat according to where the traffic originates and the direction of movement, thus necessitating reference to the tariff or territorial directories of the carriers for information as to what points are included in the term in actual practice.

Within recent years the basis for rates to and from this territory has been before the Interstate Commerce Commission for consideration as to the reasonableness of the rates so established and in one of the hearings the Commission stated the early rate-construction practice employed in this territory in the following language:

As railroads were constructed into the undeveloped west and, for a time at least, had their western termini at the east bank of the Mississippi River, it seems natural that when the river was crossed, and rates were established to points beyond, they should be constructed by adding certain sums to the rates already established to the river, and as additional lines were built and additional railroad crossings over the Mississippi River were con-

structed, competition between carriers and localities naturally established common rates to the Mississippi River crossings, especially when applied to traffic going beyond.

As the west was further developed, this same condition and like results followed at the several crossings of the Missouri River. \* \* \* 1

This has been fully explained in so far as the rates from Official Classification Territory to Mississippi River Crossings are concerned in the treatise devoted to that subject. As to the rates from Official Classification Territory to Missouri River Crossings, Chapter II of this work gives an explanation.

Following this practice, the rates to the Mississippi River were combined with those from the Mississippi River to the Missouri River and with those from the Missouri River to Denver, Colo., or Colorado Common Points, in establishing through rates.

The following figures show the rates applying from the Missouri River to Denver, Colo., from 1886 up to the time that the Commission reviewed the adjustment:

Classes	.....1	2	3	4	5	A	B	C	D	E
1886	.....210	170	140	115	100	100	75	65	40	50
1894	.....160	130	110	90	75	85	65	55	45	40
1895 to 1907.	125	100	80	65	50	60	45	40	35	30

As was said in the preceding chapter, rates between Missouri River Points and points east of Colorado Common Points are made on the distance principle, i. e., increased as the distance increases, until the Colorado Common Point basis is reached; from there on this rate is blanketed or extended to cover all intermediate stations, the Colorado Common Points fixing a maximum scale of rates above which intermediate points are not held.

## 122 FREIGHT RATES—WESTERN TERRITORY

The following will show the method employed in constructing through rates from adjoining territories to Colorado Common Points under the old adjustment, taking New York as the point of origin:

Classes .....	1	2	3	4	5
Rates <sup>1</sup> from New York to Mississippi River .....	88	76	59	41	35
Rates <sup>2</sup> from Mississippi River to Missouri River .....	60	45	35	27	22
Rates <sup>2</sup> from Missouri River to Denver, Colo. ....	125	100	80	65	50
Through rates .....	273	221	174	133	107

<sup>1</sup> Governed by the Official Classification.

<sup>2</sup> Governed by the Western Classification.

The Interstate Commerce Commission, in this investigation, held that this basis was unduly discriminatory in favor of the Missouri River cities and as against Denver, and prescribed the following rates to apply from Chicago and from the Mississippi River to Colorado Common Points:

Classes .....	1	2	3	4	5	A	B	C	D	E
Chicago .....	180	145	110	85	67	80½	63	54	47	40
Mississippi River .....	162	129	101	80½	63	74	56	50	42	36

Subsequently the rates from the Missouri River Crossings to Denver were readjusted, the rates being reduced from and to the figures shown below:

Classes .....	1	2	3	4	5	A	B	C	D	E
Former rates .....	125	100	80	65	50	60	45	40	35	30
Reduced rates .....	115	92	74	60	47	56	42	37	33	29

In this adjustment, as in others in Western Territory, much consideration must be given in regard to placing the markets of production and the jobbing centers on a

relative basis of equality. Indeed, in this investigation the Interstate Commerce Commission stated:

\* \* \* Jobbers buying their goods at a common source of supply and selling them in a common market of consumption should be able to do so on a relatively fair, if not equal, aggregate of inbound and outbound transportation charges. As applied to this case the theory is that the carload rate from Chicago or from the Mississippi River to Denver plus the less-than-carload rate from Denver to Grand Junction or other consuming points ought not to exceed by more than a reasonable margin the similar combination on the Missouri River, and also ought not to exceed the through less-than-carload charge direct to Grand Junction.<sup>2</sup>

## 2. EASTBOUND RATES

The order of the Commission affected only westbound rates. The eastbound rates which were not included in this investigation were somewhat higher. Subsequently these rates were also made the subject of a complaint before the Interstate Commerce Commission and the result was that they were ordered to be reduced to the St. Louis and Chicago rates, not to exceed those applicable on westbound traffic.

The rates currently in effect between Colorado Common Points and eastern points of origin and destination are shown in Table 38.

<sup>2</sup> 28 I. C. C. Rep., 82-86.

TABLE 38

CLASS RATES BETWEEN COLORADO COMMON POINTS AND GROUPS  
NAMED

BETWEEN COLORADO COMMON POINTS AND	RATES IN CENTS PER 100 POUNDS									
	Classes									
	1	2	3	4	5	A	B	C	D	E
Chicago, Ill. <sup>1</sup>	180	145	110	85	67	82½	63	54	47	40
Duluth, Minn. <sup>1</sup>	197	157	124	97½	73	88	68	60	51	44
Memphis, Tenn. <sup>1</sup>										
Local	180	145	110	85	67	80½	63	54	47	40
Proportional	162	127	101	79	62	74	56	50	42	36
Peoria, Ill. <sup>1</sup>	171	136	105½	82¾	65	77¼	59½	52	44½	38
Mississippi River <sup>1</sup>	162	127	101	80½	63	74	56	50	42	36
St. Paul, Minn. <sup>1</sup>	162	127	101	80½	63	74	56	50	42	36
Missouri River <sup>1</sup>	115	92	74	60	47	56	42	37	33	29
New Orleans, Mobile, Baton Rouge, Vicksburg <sup>2</sup>	205	165	125	97	77	92	72	62	53½	46

<sup>1</sup> Governed by the Western Classification. Trans-Missouri Freight Tariff No. 11-I.

<sup>2</sup> Governed by the Western Classification. Trans-Missouri Freight Tariff No. 12-H.

### 3. ALL-RAIL RATES FROM AND TO CENTRAL FREIGHT ASSOCIATION AND TRUNK LINE TERRITORIES

No through rates are published via all-rail routes from Central Freight Association and Trunk Line territories, or from points in the southeast, rates being made on a combination based on either the Mississippi River or the Chicago rates, whichever afford the lower basis.

### 4. RATES FROM NEW ORLEANS

From New Orleans, La., the Illinois Central Railroad has, for a number of years, applied as a basis for through

rates the scale which was in effect between Chicago and Denver prior to the time that the Interstate Commerce Commission ordered the above reductions.

These rates were included in the investigation and the Commission sustained the carriers in the application of this basis, which is also applied from Mobile, Ala., Baton Rouge, La., and Vicksburg, Miss.

#### 5. RATES FROM TRUNK LINE TERRITORY VIA RAIL- AND-WATER ROUTES

In competing for a share of this traffic the water lines operating from eastern ports to South Atlantic ports, such as Charleston, S. C., Wilmington, N. C., and Savannah and Brunswick, Ga., and the Mexican Gulf ports of New Orleans, Texas City, and Galveston, and their rail affiliations use the all-rail rates from Trunk Line Territory as the basis by which to construct rates via their routes.

##### *(a) From Atlantic Seaboard Territory*

The competition of these routes is strong and aggressive and while the nature of the competition is entered into more fully in the construction of rates to South-western Territory, it may be stated that the service via these routes compares favorably both as to time and efficiency with that of the all-rail lines and in addition thereto affords an opportunity to effect quite a saving in freight charges by reason of the lower scale of rates in effect.

The rates via the all-rail lines, as previously stated, are made on combinations on Chicago or Mississippi

River rates, whichever are less. The water lines taking these rates as the basis adjust their rates, using a scale of differentials under the rail rates.

Thus, under the old adjustment, the all-rail rates from New York to Denver would be constructed in the following manner:

Classes	.....1	2	3	4	5	A	B	C	D	E
All-rail rates.....	273	221	174	133	107	119½	93½	86	77½	70
Differentials	..... 39	30	26	16	14	11	11	11	11	11
<hr/>										
Through rates	....234	191	148	117	93	108½	82½	75	66½	59

The rates via the water lines are continued in effect as they were not included in the Commission's order.

Seaboard Territory may be roughly described as that territory lying east of the Western Termini of the Trunk Lines and on and north of the line of the Norfolk & Western Railway to the Atlantic Ocean.

Since the reduced rates ordered by the Interstate Commerce Commission have been published from Chicago and Mississippi River Points to Colorado Common Points, the application, via the water line, of rates on any fixed differential basis has been held in abeyance.

The differences existing in the present class rates from New York to Colorado Common Points via the all-rail lines as contrasted with the Gulf routes, develop that the Gulf rates are the following figures in cents per hundred weight less than the all-rail rates:

Classes	..... 1	2	3	4	5	A	B	C	D	E
Differences (in cents)...	16	12	12	4	4	½	2½	4	4½	6

These differences result from the differences in class rates west of Chicago and the Mississippi River, and from the fact that the Gulf lines maintain the through



class rates which were in effect prior to the reductions authorized by the Commission.

In Table 39 are shown the current class rates from Atlantic Seaboard Territory to Colorado Common Points. In Table 40 are shown certain proportional water-and-rail class rates applying to the Mississippi River, applicable on traffic destined beyond, and also the proportional all-rail class rates to the Mississippi River, which are used in combination with the rates applying from Mississippi River Points in constructing through rates via all-rail lines to these destinations.

## 6. RATES TO POINTS MADE WITH RELATION TO COLORADO COMMON POINTS

Rates to some other points which may be closely related or situated to points taking the Colorado Common Point basis are made by adding to the Colorado Common Point rates certain arbitraries or differentials, which are usually less than the local rates between the same points.

Rates to the stations located on the St. Louis, Rocky Mountain & Pacific Railway, west of Des Moines, N. M., to and including Ute Park, N. M., a distance of almost 100 miles, are made by adding differentials to the Trinidad (Colorado Common Point) rates as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
Chicago to Trinidad										
rates .....	180	145	110	85	67	82½	63	54	47	40
Differentials .....	20	18	17	15	5	7	5	5	5	5
	—	—	—	—	—	—	—	—	—	—
Through rates .....	200	163	127	10	72	89½	68	59	52	45

TABLE 39

CLASS RATES FROM ATLANTIC SEABOARD TERRITORY TO THE MISSISSIPPI RIVER AND GROUPS SPECIFIED WEST THEREOF

FROM ATLANTIC SEABOARD TERRITORY TO GROUPS	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
Colorado Common Points <sup>2</sup>	234	191	148	116	93	108½	82½	75	66½	59
Raton, N. M. <sup>2</sup>	254	209	165	131	98	115½	87½	80	71½	64
Mississippi River Crossings <sup>3</sup>	72	64	47	37	31	34	26	25	24	23
Memphis, Tenn. <sup>3</sup>	72	64	47	35	30	34	26	25	24	23
Proportional rates from Mississippi River to Missouri River <sup>4</sup>	55	41	32	24	20	22	18	15	12	10

<sup>1</sup> Governed by the Western Classification.<sup>2</sup> Via steamship to Galveston and New Orleans. Wm. J. Sedgeman's (Agent) Freight Tariff No. 6.<sup>3</sup> Applies only on traffic destined to Colorado Common Points. Wm. J. Sedgeman's (Agent) Freight Tariff No. 7.<sup>4</sup> Governed by the Western Classification. Wm. J. Sedgeman's and W. H. Hosmer's (Agents) Freight Tariff No. 3-B.

TABLE 40

PROPORTIONAL RATES

FROM	PROPORTIONAL WATER-AND- RAIL RATES TO MISSISSIPPI RIVER						PROPORTIONAL ALL-RAIL RATES TO MISSISSIPPI RIVER <sup>1</sup>					
	Classes <sup>2</sup>						Classes <sup>2</sup>					
	1	2	3	4	5	6	1	2	3	4	5	6
Boston <sup>3</sup>	83	72	56	38	33	28	88	76	59	41	35	29
New York	78	68	53	37	31	26	88	76	59	41	34	29
Philadelphia	72	62	51	35	29	24	82	70	57	39	33	27
Baltimore	70	60	50	34	28	23	80	68	56	38	32	26
Richmond	62	54	46	31	26	21	72	62	52	35	30	24

<sup>1</sup> These are the East St. Louis rates authorized to the upper Mississippi River Crossings, with the standard westbound differentials applied.<sup>2</sup> Governed by the Official Classification.<sup>3</sup> Proportional rates applicable on traffic via South Atlantic and Gulf ports destined to points on and west of the Missouri River.

## CHAPTER IX

### RATES TO AND FROM UTAH COMMON POINTS

#### 1. DEVELOPMENT

In this adjustment, used in constructing rates to points in the Far West and Southwest, the influences of water competition are felt to a great extent.

The carriers' contention is that rates from Atlantic Seaboard to Pacific Coast points are forced to an exceptionally low level in order to meet the water competition between the coasts. This competition is due to the low scale of rates established by the carriers operating around Cape Horn, through the Strait of Magellan, and by way of the Isthmus of Panama. Also, the cities on the Pacific slope receive supplies by water from different countries of the globe at exceedingly low water rates. While a rate forced by water competition cannot be used as a standard of reasonableness by which to measure other rates, the Interstate Commerce Commission has held that the fact that there is a water route from a given point to a certain destination affording a low and reasonable rate does not justify the Commission in permitting the rail carriers to charge a high and unreasonable rate on traffic between these points.

Likewise, as will be illustrated in the treatise devoted to the construction of rates in Southwestern Committee Territory, the coastwise lines operating between points

located on the eastern seaboard and gulf ports also tend to depress the natural level of the rates to and from these territories and points adjacent thereto.

As stated in the Traffic Glossary, Ogden and Salt Lake City are the two common points, but there is, as is the case with the Colorado Common Points, a varying list of points located in Utah and adjoining states to which this basis is applied.

These rates have also been subject to complaint before the Interstate Commerce Commission, a reduced basis having been established by it. Under a complaint submitted by the Commercial Club and Traffic Bureau of Salt Lake City, Utah, December 16, 1909, the class rates in both directions between Chicago, Mississippi River, and Missouri River rate territories on the one hand and the Utah Common Points on the other hand were stated to be unreasonable and discriminatory in so far as Salt Lake City was concerned.

The rates in existence at that time from the following points were:

Classes	1	2	3	4	5	A	B	C	D	E
Chicago	285	240	198	160	133	138	110	97	69	58
Mississippi River	265	220	188	155	128	130½	102½	92	64	53
Missouri River	205	175	153	128	106	106	83	75	50½	42

After reviewing the evidence, the Commission prescribed the following rates as reasonable rates for the future:

Classes	1	2	3	4	5	A	B	C	D	E
Chicago	245	207	172	139	115	115	95	84	62	52
Mississippi River	227	189	163	134	111	111	88	80	57	48
Missouri River	190	162	142	119	98	98	77	70	50	42

## 2. ALL-RAIL RATES FROM CENTRAL FREIGHT ASSOCIATION AND TRUNK LINE TERRITORIES

All-rail rates from Central Freight Association Territory and Trunk Line Territory are constructed on the basis of the lowest combination based on Chicago, Mississippi River, or Missouri River rates set forth.

## 3. DIFFERENTIAL RATES FROM ATLANTIC SEA- BOARD TERRITORY

Specific through rates from Atlantic Seaboard Territory to Utah Common Points were formerly published by the water carriers serving the South Atlantic and Gulf ports. These rates were considerably less than the all-rail rates, the differential on first-class traffic being 35 cents per hundred weight under the all-rail figure. Since the reductions were ordered by the Commission, this fixed differential basis has been abandoned and through rates are no longer published, except on some few commodities on which through rates are published from Atlantic Seaboard Territory to Spokane, Wash., which rates are applied as maxima to Salt Lake City and other Utah Common Points. The class rates and rates on other commodities are provided for under the factor methods, that is, the tariff shows, in various sections, rates applicable east and west of the Mississippi River, which when combined with stated factors east or west produce the charge to be applied. The factors which apply east of the Mississippi River from Boston, Mass., New York, N. Y., Philadelphia, Pa., and Baltimore, Md., are:

Classes ..	1	2	3	4	5	6	R25	R26	R28
Rates ....	.72	64	47	35	30	26	54	38	40

## 132      FREIGHT RATES—WESTERN TERRITORY

These rates are governed by the Official Classification. The factors applying west of the Mississippi River to the Utah Common Points are:

Classes. . .	1	2	3	4	5	A	B	C	D	E
Rates . . . . .	227	189	163	134	111	111	88	80	57	48

These rates are governed by the Western Classification.

Observe, particularly in the instance of the factors applying east of the Mississippi River, how much less the rates are than those applying via the all-rail routes.

As an illustration of the working of this basis, assume that an article was classified as taking the fifth-class rate in the Official Classification and as taking the Class A rate in the Western and that the shipment was being made from Boston, Mass. The through rate applicable via these differential routes would be obtained by taking the fifth-class rate applicable to the Mississippi River, viz., 30 cents, and adding it to the rate applying west of the Mississippi River, which is \$1.11. This would produce a through rate of \$1.31, which would be applied in this instance.

These rates apply via either the water lines through the South Atlantic ports or via the lines serving the Mexican Gulf ports of Galveston or New Orleans.

### 4. RATES TO POINTS TAKING DIFFERENTIALS OVER UTAH COMMON POINTS

As is the case in regard to the application of the Colorado Common Point basis, certain differentials have been established by the carriers for the construction of rates to points adjacent to the Utah Common Points, which

when added to the Utah Common Point rates make the through rates to be applied.

To make through class rates from and to Utah points named, add the differentials set forth in Table 41 to Utah Common Point rates.

TABLE 41

## UTAH DIFFERENTIAL GROUP

STATIONS ON S. P. L. A. & S. L. R. R. <sup>1</sup>	DIFFERENTIALS IN CENTS PER 100 POUNDS OVER UTAH COMMON POINT RATES									
	Classes <sup>2</sup>									
	1	2	3	4	5	A	B	C	D	E
Garfield .....	18	16	14	12	10	10	8	7	5	5
Rifer <sup>3</sup> .....	15	13	11	9	8	8	6	5	4	4
Mammoth Jct. <sup>3</sup> .....	46	42	37	31	25	22	18	14	11	9
Mammoth .....	46	42	37	31	25	22	18	14	11	9
Eureka .....	46	42	37	31	25	22	18	14	11	9
Silver City .....	46	42	37	31	25	22	18	14	11	9
Nephi .....	25	21	18	15	13	13	10	9	6	5

<sup>1</sup> San Pedro, Los Angeles & Salt Lake Railroad.

<sup>2</sup> Governed by the Western Classification.

<sup>3</sup> Non-agency station.

## TEST QUESTIONS

These questions are for the student to use in testing his knowledge of the assignment. The answers should be written out, but are not to be sent to the University.

1. What states are embraced, as a whole or in part, by Western Trunk Line Territory?
2. Are interstate rates based to some extent on rates prescribed by state commissions?
3. What are "Class (A)" railroads?
4. To what extent may rates on "Class (B)" railroads exceed the rates on "Class (A)" railroads?
5. What was the primary cause for the reduction of the Illinois class rates in 1906?
6. How does the topography of Illinois affect the rates within the state?
7. How do the class rates in Iowa compare with those in Illinois?
8. On what basis is the difference justified?
9. On what basis are joint rates constructed in the State of Iowa?
10. Which of the states, Illinois or Iowa, is the more liberal with respect to the establishment of commodity rates?
11. What state commissions in Western Trunk Line Territory prescribe individual classifications?
12. Is the basis for class rates prescribed by the Missouri Railway Commission applied to the entire state? How do these rates compare with those in effect in Illinois? In Iowa?
13. Why are the rates in Wisconsin less uniform than the rates in Illinois and Iowa?
14. By whom are the rates in Wisconsin and Michigan (Northern Peninsula) published?
15. How is the State of Michigan divided between the Official and Western classifications?



16. How do the Michigan rates governed by the Official Classification compare with those governed by the Western Classification?

17. How do the class rates in Minnesota compare with those in Michigan and Illinois?

18. How do jobbers' rates compare with the regular distance rates?

19. What are some of the general conditions that affect the measure of rates in any territory?

20. What rivers form the boundaries of the Missouri River rate territory?

21. Why is the factor of distance largely disregarded in the rate adjustment in this territory?

22. What is the controlling factor in this case?

23. Name several of the principal points in the Chicago, Peoria, and St. Louis groups on traffic destined to this territory.

24. What is a differential rate?

25. Is Chicago rate territory the same for shipments to Omaha as for shipments to Sioux City?

26. Is the list of Missouri River stations shown in Table 13 subject to alteration? How?

27. Construct the class rates from Joliet, Ill., to Omaha, Neb.

28. How are through rates from points east of the Illinois-Indiana State Line constructed?

29. What effect does water competition in general exert on the freight rates of the rail lines?

30. How are rates between Chicago and Chicago rate points on the one hand and St. Paul, Minn., on the other determined?

31. How do these rates affect the rates between Duluth and the same points? Between St. Louis and the same points?

32. Are the rates shown in Table 18 constructed on any general basis?

33. In the point of construction, how do the rates for the Eau Claire Group differ from the rates for the other groups shown in Table 20?

34. On what basis did the interested carriers recheck the state of Iowa in compliance with the suggestion of the Interstate Commerce Commission?

35. On what rate is the maximum class rate within the state of Iowa based?

36. Into how many groups is adjoining Western Trunk Line Territory divided for the construction of commodity rates on shipments originating at or destined to points in Iowa?

37. Into how many groups is the state of Iowa divided for the construction of commodity rates on shipments originating at or destined to points within the state?

38. How are the rates between Group 5 and Group A constructed? Between Group 10 and Group A? Between Group 20 and Group B? Between Group 25 and Group A?

39. How are the rates between Group D and Group 9 constructed? Between Group H and Group 17?

40. What territory do the East End Groups cover? How many groups are there in this division? What are the West End Groups, and how many of them are there?

41. What are the basing factors in this adjustment?

42. How are the through rates from Groups 2, 3, and 4 made?

43. When a through rate is published, does it take precedence over this adjustment?

44. What rate applies between Group 11 and Group F? Between Group 10 and Group K?

45. How is the Chicago rate constructed? The St. Paul rate?

46. Do the rates shown in Table 35 apply to all points in the same group? How may the rates from the Mississippi River be determined?

47. On what shipments do the rates shown in Tables 36 and 37 apply?

48. Does the term "Colorado Common Point" designate a fixed territorial grouping?

49. How were the rates to these points first established?

50. How did the first-class rate between the Missouri River and Denver change between the years 1886 and 1895? What was the decision of the Interstate Commerce Commission relative to the rates under the old adjustment?

51. How great a reduction did the Interstate Commerce Commission prescribe on rates from the Mississippi River to Denver? From the Missouri River?

52. On what ground did the Interstate Commerce Commission justify this change in rate?

53. Did this decision affect eastbound rates as well as westbound rates?

54. How are through rates between Central Freight Association Territory and Colorado Common Points constructed?

55. What through rates are in effect from New Orleans, La.?

56. In what way does the all-rail rate between New York and Denver contrast with the rate via the differential routes operating to Gulf ports?

57. Did the recent decision of the Interstate Commerce Commission apply to the rates via the water lines?

58. How are rates to territory adjacent to Colorado Common Points constructed?

59. How does water competition affect the all-rail rates to the Far West and the Southwest?

60. What two cities are known as Utah Common Points? Are the common-point rates applied to any points outside of the State of Utah?

61. How did the decision of the Interstate Commerce Commission affect Utah common-point rates?

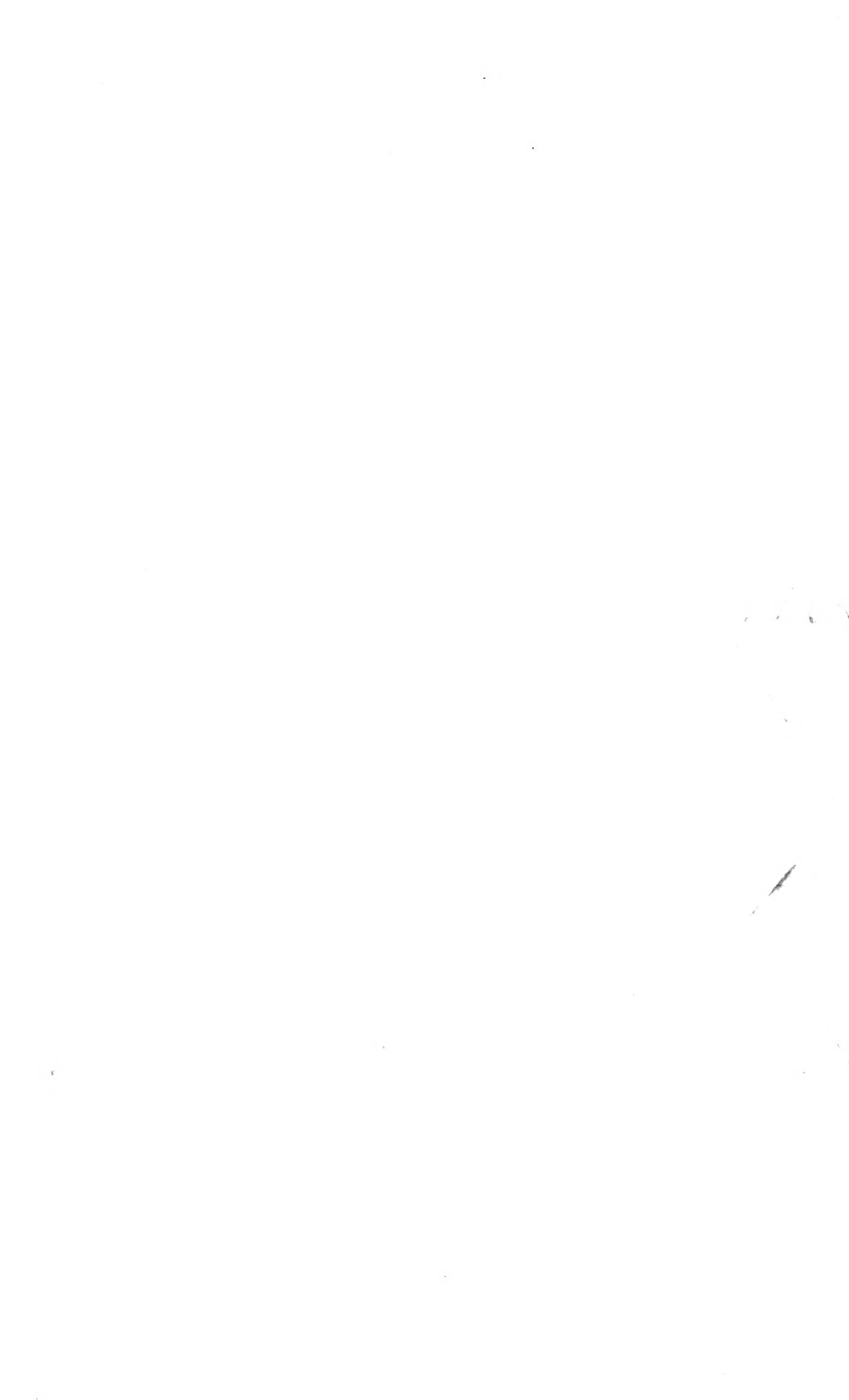
62. How are all-rail rates from Central Freight Association Territory and Trunk Line Territory constructed?

63. Do the water carriers publish through rates from Atlantic Seaboard Territory to Utah Common Points?

64. How are factor methods employed in constructing these rates?

65. What would be the rate applicable on an article taking Rule 25 in the Official Classification and Class B in the Western Classification, from New York to Utah Common Points via all-rail routes?

66. How are rates to Silver City, Utah, constructed?



# FREIGHT RATES

## WESTERN TERRITORY

### PART 2

### SOUTHWESTERN TERRITORY

E. BROOKER  
Chief of Tariff Bureau  
Erie Railroad

LASALLE EXTENSION UNIVERSITY  
(Non-Resident Instruction)  
CHICAGO

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# SOUTHWESTERN TERRITORY

## CHAPTER I

### DEVELOPMENT OF RATE STRUCTURE

#### 1. STATE LEGISLATION

The rate structure of Southwestern Tariff Committee Territory<sup>1</sup> may be said to be partially the result of an aggressive railroad policy enforced by the State of Texas. This policy was believed to be best adapted to foster the interests of the people of that state, as it enabled them to compete on equal terms with each other and with those outside the state.

The following expression as to the policy of the Railroad Commission of Texas is found in its fifth annual report.

To Texas as a whole it is of the most vital concern that there should be within her limits at proper places jobbing and manufacturing establishments. Besides adding to the citizenship of the state a desirable population and furnishing employment to persons already in our midst and enhancing the taxable values of the state, and, as a consequence, under wisely administered government, aiding in ultimately reducing the rate of taxation, and besides the home market they afford to the tiller of the soil and other producers, including manufacturers, for their prod-

<sup>1</sup> This territory is outlined and defined on Map 6 of the Atlas of Traffic Maps.

## 2 FREIGHT RATES—WESTERN TERRITORY

ucts, if men, in Texas, having the capital to engage in a wholesale business or in a manufacturing enterprise, for the success of which natural conditions are favorable, they have as much right to invest their means in such business or enterprise as a man in Illinois or Missouri has to embark in such business or enterprise in his state. Some of the Texas lines of railway, constituting parts of interstate systems of railway interested in long hauls, appear to be hostile to a policy which would foster Texas jobbing and manufacturing interests, while other lines manifestly favor such a policy. Outside cities bring to bear every pressure they can to coerce all Texas lines into a course favorable to their interests and adverse to the interests of Texas cities with respect to jobbing and manufacturing. \* \* \* This commission has always had in mind the securing of relatively just state and interstate rates, with a view of enabling Texas merchants and manufacturers to do business in competition with outsiders.

The interstate rate structure of this territory rests largely upon the state rates prescribed by the Railroad Commission of Texas. It is separate and distinct from the structures in other territories, although its application is somewhat similar to the extension of the Boston rate to the greater part of New England on traffic destined to points in Central Freight Association Territory.<sup>2</sup> In promulgating rates, this commission has divided the State of Texas into two groups, one of which is designated as Common Point Territory and the other as Differential Territory.<sup>3</sup> In Common Point Territory rates are scaled or increased as the distance increases from 10 miles to 245 miles, but for distances over 245 miles, but still within the state, the rates are the same whether the distance be 246 miles or 346 miles. The object of this maximum rate is to enable the various jobbing centers of the state

<sup>2</sup> See Map 9, Atlas of Traffic Maps.

<sup>3</sup> These territories are described in a subsequent chapter of this work.

to compete with each other for trade at points more distantly located. Take Dallas and Fort Worth as an illustration. On short-haul points the gradual increase in the scale preserves to each point the advantage of location that it has over the other point, but when the maximum distance is reached they both have the same rate and consequently compete on an equal basis.

To enable merchants and others at the jobbing centers to obtain their shipments on an equal basis, it seemed desirable that all points in Common Point Territory should have equal terms for transportation.

The following extract from the report for 1896 of the Railroad Commission of Texas illustrates the view of that body as to this procedure.

\* \* \* In making the demand there was no injustice to the railroads, for, viewed simply as roads operating in the state, it is to their interest to favor our policy of bringing goods from abroad into Texas cities in carload quantities and in distributing them from the jobbing houses in such cities in less-than-carload quantities among the retailers. As the freight charges they receive on local less-than-carload shipments in the state added to what they receive in the division of through rates on carload shipments to the Texas jobber usually amount to more than they receive in the division of through rates on less-than-carload shipments from a jobber outside the state to a retailer in the state; and it can be shown to be to their advantage to pursue a policy favorable to the development of manufacturing in Texas. While by pursuing, along the lines indicated, a course favorable to the upbuilding of Texas jobbing and manufacturing enterprises, the interests of Texas roads considered as such would be subserved, yet, constituting, as some of the Texas roads do, parts of interstate systems, the interests of the systems rather than the interest of the Texas lines are too often regarded. Here lies the main difficulty, in our opinion, in securing a just arrangement of interstate rates. It can be met either by those lines which are

#### 4 FREIGHT RATES—WESTERN TERRITORY

not dominated by outside influences taking a firm stand and cooperating with this commission to compel the other lines to act justly toward Texas interests, or, if adjustments can not be made by consent, by the Interstate Commerce Commission, with an intelligent grasp of the situation, when appealed to, making the proper adjustment.

It is quite unlikely that articles would move in carload quantities to the smaller points in Texas. The Texas jobbers, therefore, who buy in carload quantities, pay freight charges on that basis, and distribute in less-than-carload quantities on the less-than-carload rates, are able to compete with the jobbing houses in other sections of the country, which would, in all probability, have to pay, in such an instance as the following, on the less-than-carload basis through from a more distant point.

Suppose, for illustration, that a farmer at Gates, Tex., which is but five miles from Dallas, desires to buy a mowing machine. The current tariffs show that the freight charges would be \$1.04 per 100 pounds through from St. Louis, on the less-than-carload basis, while the Dallas jobber, who presumably buys in carload lots, pays as follows:

From St. Louis to Dallas on C. L. basis.....	76c
From Dallas to Gates on L. C. L. basis.....	10c
<hr/>	
Through rate .....	\$86c

This indicates a very substantial advantage in favor of the Dallas jobber. If, on the other hand, the consumer was in a position to buy in carload quantities, this advantage to the Dallas jobber would be nullified, because the consumer could buy in St. Louis as cheaply as the Dallas jobber, the same rate applying from St. Louis to Gates as applies from St. Louis to Dallas.

It may be stated that in no adjustment in the country

are so many different elements of competition felt as in the Southwestern rate structure. Indeed, competition may be said to be the key to the entire basis. The area of the territory, its vast agricultural and mineral resources, and the development of the early jobbing centers into thriving municipalities, have brought about, between the various producing centers, strong competition for the supremacy of trade, which was naturally followed by keen rivalry between the carriers.

## 2. DISTANCE PRINCIPLE

Rates made on the distance principle or mileage scale cannot stand the test of competition, for as the distance between points increases or decreases the rates increase or decrease, thus giving to each point a fixed and constant relation to every other point and preserving natural advantages. But this principle has its disadvantages when applied to cheap and bulky articles which, on account of the source of raw material or location of manufacturing centers, must move long distances to markets of consumption. In the words of the Interstate Commerce Commission, rates constructed on a ton-mile basis would give to distance an exaggerated influence, resulting in relatively prohibitive rates beyond certain distances and the elimination of competition.

## 3. PRINCIPLES OF COMPETITION

In adjusting interstate rates for the transportation of property from the various producing centers to common and competitive points in Southwestern Territory, the method employed has been to accept such rates from the

various producing and shipping points as the competition of rival carriers, competitive routes, and producing markets require to move the traffic from each producing, manufacturing, and shipping point in competition with each other point or origin.

In so far as it is possible, the differentials established by the carriers from the various groups when applied to the base rates adjust the degree of competition as reflected by the competitive influences of carriers, routes, commodities, and markets.

It should be understood that these differentials are rates which are considerably less than the local rates applying between the same points. For instance, the first-class rate from Chicago to St. Louis, Mo., on local traffic or traffic destined to St. Louis proper is 43.3 cents per 100 pounds, while the first-class differential between the same points on traffic destined to Texas is 20 cents.

The Interstate Commerce Commission, in treating the subject of differentials, stated as follows:

Nothing is more certain concerning transportation in this country, either as to cost of service to the carrier, or value of service to the shipper, than that as the mileage increases the total cost increases, but the cost per ton per mile decreases. It follows, and with particular force as applied to grouped points of origin and grouped points of destination, that differentials either above or below the rates from any given point become less and less important as distance of ultimate destination increases. Stated in other words, differentials diminish with increasing distance and vanish when the mileage on which the differential is based becomes inconsiderable in proportion to the total mileage from basing point to destination.<sup>4</sup>

Thus, while the differential from Chicago to St. Louis as contrasted with the local rate shows a great difference,

<sup>4</sup>16 I. C. C. Rep., 482, 487.

the differential applied from Pittsburgh, Pa., closely approximates the local rate, while on traffic from points in Trunk Line Territory a combination of local rates is all that is available.

The differential (see Table 5) either over or under the base point measures the extent of the competition expressed in a freight rate as between markets of production or shipping points.

The competition of markets is of two kinds, direct and indirect. Direct competition is that of markets situated in close proximity to each other. Paper manufacturers located in Fox River Territory are in direct competition with manufacturers located in Cincinnati Territory, while both of these districts feel the indirect competition of manufacturers located in New England who compete with them via the Gulf routes.

#### 4. COMPETITION OF TRANSPORTATION ROUTES

The competition of rival transportation routes and carriers is likewise direct and indirect.

The direct competition of rival transportation routes, whether rail, water, or rail-and-water, is exemplified in the rates from Cincinnati Territory,<sup>5</sup> as a choice of all-rail or rail-and-water carriage is available and shipments may move as follows:

- (1) All rail via railroads operating therefrom.
- (2) Rail and water via the Ohio River to Louisville or Cairo; thence via rail.
- (3) Via the Ohio and Mississippi rivers to East St. Louis, Memphis, Vicksburg, or New Orleans; thence via rail.

<sup>5</sup> See Map 14, Atlas of Traffic Maps.

(4) Via the Ohio and Mississippi rivers and the Gulf of Mexico; thence via rail.

Water-and-rail routes form rival routes to the many all-rail routes.

Indirect competition of rival transportation routes is illustrated in the rates from Fox River Territory<sup>6</sup> to Texas Common Points (see page 10) with the rates from Cincinnati Territory to the same destinations. The competition between the routes from Fox River Territory and the route in connection with the water carriers on the Ohio River is indirect but not so remote as to fail to exert some influence, for the traffic from Cincinnati, partly water borne and partly rail borne, cannot be set down in Texas at a rate unreasonably discriminatory to like traffic from Fox River Territory.

## 5. COMPETITION OF CARRIERS

The competition of rival carriers, by which is meant carriers of one kind, either rail, water, or rail-and-water, is at all times direct, although the districts which they serve in competition with each other may be separated 1,000 miles or more.

It is apparent that it is to the advantage of each carrier, whether all-rail, all-water, or rail-and-water, to place its producing or shipping markets in active and aggressive competition with markets located elsewhere for trade in the Southwest, because by so doing it is assured of the haul on a portion of the traffic.

In some cases, however, particularly with regard to points located on the Gulf of Mexico or adjacent thereto,

<sup>6</sup> See Map 14, Atlas of Traffic Maps.



the rail lines or the across-country rail-and-water routes are forced to concede the traffic to the water carriers serving such ports as Galveston and Texas City, Tex., and New Orleans, La. This is due to the fact that these points are so located that they secure all-water rates, which are much less than those that could be profitably established by the rail or rail-and-water lines.

Adjustments in commodity rates to Gulf of Mexico points from inland points are made with regard to the rates established by the water carriers. While there may be no water competition affecting traffic from the points concerned, the rates established by this indirect water competition are regarded as necessary, in order to place the communities or the commodities in competition with other sections of the country, and like traffic, where there is direct competition.

The rates to points on the Gulf of Mexico and to points basing thereon indicate in a high degree the effects of direct and indirect competition. The rates on such traffic as paper from points in Fox River Territory are made to meet the rates on paper from points in Seaboard Territory via New York and the Gulf routes. Likewise, many of the commodity rates from points located on the Ohio and Mississippi rivers are made on combination rates based on the lower Mississippi River Crossings (Memphis, Vicksburg, and New Orleans). The rates to the base points are made to meet the direct competition of the carriers on the said rivers, and the rates from the base points in Southeast Texas, adjacent to the Gulf of Mexico are made to meet the direct steamship competition on the Gulf.

## 6. COMPETITION OF FOREIGN MARKETS

Competition with foreign markets, consumption at certain points, and general business and commercial conditions, along with competition of the carriers, whether direct or indirect, are factors not to be overlooked or passed over lightly in the construction or adjustment of rates. In the illustration of adjustments given in the rates from Fox River Territory as compared with the rates from Cincinnati Territory to Texas Common Points, the origin and destination points from Fox River to Texas are all inland points, whereas Cincinnati has the Ohio River at its service and would therefore not be classed as an inland city, although the term "inland city" is customarily applied to all cities not located on the seaboard. The destinations and stations in Texas are strictly inland cities. The indirect competition of the carriers is noted in the following differentials, Fox River over St. Louis:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials .....	40	31	24	20	15	16½	14	12	11	10

Indirect competition is also noted in the following differentials, Cincinnati over St. Louis:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials .....	20	16	12	10	7	9	8	7	6	5

or the following differentials in favor of Cincinnati as against Fox River:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials .....	20	15	12	10	8	7½	6	5	5	5

This represents the necessary increase in freight rates from Fox River over Cincinnati to maintain a parity between the localities. It would be decidedly unwise as

an economic proposition to lay aside the question of the value of transportation service. It is admitted by the best authorities that the cost of the service should not govern when competitive influences, both direct and indirect, are considered in the establishment of rates. The railroad service is worth more when away from the competition of the water carriers and should be charged for accordingly. The value of the service must be measured at the inland point.

The illustration given of direct competition in the rates from Seaboard Territory where the across-country lines do not compete by meeting the rates of the steamship lines, is conclusive evidence of the wisdom of the carriers in not meeting this competition. In this instance, the value of the service to the shipper would be no more if his goods were shipped across country, for the reason that the voyage by steamship takes little or no more time than the journey by rail or by rail and water. For this reason, the traffic should go to the more cheaply operated water carriers.

In the illustration of the adjustment in the commodity rates on paper from Fox River Territory as compared with the rates from Atlantic Seaboard Territory, it is observed that while the competition between the carriers is indirect and remote, nevertheless the manufacturers located in these districts are in competition for the trade in Texas, and the rail lines from Fox River Territory can charge for the value of the service only, this value being based on the competition of commodities and carriers in other localities. If the carriers from Fox River Territory did not meet the competition of the Gulf routes, the cheaply operated Gulf routes would not only take the traffic of Seaboard Territory to Gulf points from the

## 12 FREIGHT RATES—WESTERN TERRITORY

across-country routes, but they would also decrease the competition between the manufacturers located in Seaboard Territory and the manufacturers in Fox River Territory, in proportion to the difference in freight rates.

## CHAPTER II

### TEXAS INTRASTATE RATES

#### 1. COMMON POINT TERRITORY

In the Atlas of Traffic Maps, Map 6 roughly indicates the boundaries of Texas Common Point Territory, which is specifically defined by the Railroad Commission of Texas as follows:

The term "common point territory" designates that portion of Texas lying south of the Amarillo Division of the Chicago, Rock Island & Gulf Railway, but including Amarillo, and east of and including points on a line drawn from Amarillo to Fuller (running east of Floydada) on the Pecos & Northern Texas Railway; Fluvanna on the Roscoe, Snyder & Pacific Railway; Midland on the Texas & Pacific Railway; thence (running east of the Sterling City Extension of the Concho, San Saba & Llano Valley Railway) to San Angelo on the Gulf, Colorado & Santa Fe Railway and Kansas City, Mexico & Orient Railway of Texas; thence to Menard on the Fort Worth & Rio Grande Railway; thence to Llano on the Houston & Texas Central Railroad; thence (running east of the Kerrville Branch of the San Antonio & Aransas Pass Railway) to San Antonio on the San Antonio & Aransas Pass Railway and Galveston, Harrisburg & San Antonio Railway; thence via the International & Great Northern Railway to Laredo; thence to Alice and Corpus Christi on the San Antonio & Aransas Pass Railway; provided, that no part of the Wichita Valley Railway west of Sagerton, the Quanah, Acme & Pacific Railway west of Quanah, the Crosbyton-Southplains Railroad, the Texas Mexican Railway, the St. Louis, Brownsville & Mexico Railway south of Sinton or west of Corpus Christi, or the San

Antonio, Uvalde & Gulf Railway south of Uvalde and west of Fowlerton, shall be included in common point territory.

## 2. DISTANCES

All class and commodity rates applicable on traffic moving between points in Texas are promulgated by the railroad commission and are made on a mileage basis, the rates increasing as the distance increases until the maximum rate is reached, after which the rates are the same, irrespective of the distance.

The distances between most of the junction points and all local points on lines within the State of Texas are also promulgated by the commission and these are the distances that must be used in constructing the rates

An extract from the issue is given on pages 15 and 16. It conveys a good idea as to the manner in which the information is set forth.

In applying rates which are based on mileage, it is of considerable importance that a uniform basis be employed at all times. In transportation circles, passenger fares are frequently computed on a different mileage basis from that on which freight rates are based, and for the purpose of establishing a uniform basis all mileages within the state of Texas are announced by the commission.

OFFICE OF THE  
RAILROAD COMMISSION OF TEXAS

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MILEAGE TABLE NO. 6

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Tables of Mileage Between Railroad Stations in Texas

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EFFECTIVE NOVEMBER 15, 1913

AUSTIN, TEXAS, November 1, 1913

It is hereby ordered that the following tables of mileage between stations on Railroads in Texas, and rules pertaining thereto be adopted for use in determining rates for the transportation of passengers and freight between such stations in all cases where the said rates depend upon mileage.

EXPLANATION.

All railroad stations in Texas are embraced in the left margin of the tables; all points common to two or more lines, with few exceptions, appear in the headings.

At stations where there are both passenger and freight depots, and the distance between them is less than two-tenths (0.2) of a mile, the freight depot is not in all cases shown, and where not shown the distances given in the tables relate to both.

At stations where there is no depot or passenger platform, the distances given relate to the center of the siding or head block of spur.

All points common to two or more lines are regarded as "Junction Points." Where the distance is shown in the tables separately to the passenger and freight depots at any "Junction Point" the passenger depot is to be regarded as properly the point of junction. The mileage shown from the stations embraced in the headings, i. e., junction points, is the *passenger depot mileage*.

In the list of stations on the left hand margin, all "junction points" are indicated by black type, and are to be treated as "junctions" whether shown in the headings or not.

**RULE 1.**—For the determination of passenger rates between points on the same line employ the actual distances between their respective passenger depots. For the determination of joint passenger rates between points on intersecting lines, employ the sum of the actual distances from the passenger depots at such points to the respective passenger depots at the point of junction, selecting that passenger depot common to both lines when given in the tables.

**RULE 2.**—For the determination of freight rates between points on the same line employ the actual distances between their respective depots. For the determination of joint freight rates between points on intersecting lines, employ the sum of the actual distances from the freight depots at such points to the respective passenger depots at the point of junction, selecting that passenger depot common to both lines when given in the tables.

**RULE 3.**—All distances are given in the tables to the nearest tenth of a mile. When calculating the mileage for determining either local or joint passenger or freight rates, the fractions of miles must be retained and employed at their value.

**RULE 4.**—When the distance between two stations, neither of which appears in the headings, is desired, employ the difference between the distance from a point named in the headings to such points, provided that the mileage shall in both cases be that of the same route, it being understood that the actual short-line mileage shall govern in all cases.

It is further ordered that all mileage heretofore published by this Commission in Mileage Table No. 5 and amendments thereto that is in conflict with the mileage of these tables be hereby canceled.

**NOTE.**—Attention is hereby called to Circular No. 4026, which provides that this Commission must be advised at once of the establishment of any new station, siding or spur; and that the permission of the Commission must be obtained before a station, siding or spur is abolished or discontinued for use.

Attest:

E. R. MCLEAN,  
Secretary.

ALLISON MAYFIELD, Chairman.  
WILLIAM D. WILLIAMS.  
EARLE B. MAYFIELD.  
Commissioners.

# FREIGHT RATES—WESTERN TERRITORY

## TABLE 1

DISTANCES BETWEEN TEXAS JUNCTION POINTS AND STATIONS ON  
THE GALVESTON, HARRISBURG & SAN ANTONIO RAILWAY

MILES BETWEEN AND	El Paso	San Antonio, Pass. Depot.	Texas City Jct.	Galveston.	Dallas, Union Pass. Depot.	Beaumont.	Orange, Pass. Depot.	Houston, H. & T. C. Pass. Depot.	Houston, T. & N.O.- G. H. & S. Frt. D.
G. H. & S. A. Ry. Main Line.									
Ivy .....	681.5	61.5	185.8	196.4	519.0	230.6	252.5	147.2	147.8
Lulling .....	676.0	56.0	191.3	201.9	524.5	236.1	258.0	152.7	153.3
Sullivan .....	669.5	49.5	197.8	208.4	531.0	242.6	264.5	159.2	159.8
Sand Pit .....	668.4	48.4	198.9	209.5	532.1	243.7	265.6	160.3	160.9
Kingsbury .....	664.8	44.8	202.5	213.1	535.7	247.3	270.2	163.9	164.5
Ilka .....	659.0	39.0	208.3	218.9	541.5	253.1	275.0	169.7	170.3
Seguin .....	655.3	35.3	212.0	222.6	545.2	256.8	278.7	173.4	174.0
Nolte .....	651.1	31.1	216.2	226.8	549.4	261.0	282.9	177.6	178.2
Blumberg Spur...	650.0	30.0	217.3	227.9	550.5	262.1	284.0	178.7	179.3
Hilda .....	649.2	29.2	218.1	228.7	551.3	262.9	284.8	179.5	180.1
Marlon .....	644.4	24.4	222.9	233.5	556.1	267.7	289.6	184.3	184.9
Cibolo Valley ...	639.1	19.1	228.2	238.8	561.4	273.0	294.9	189.6	190.2
Schertz .....	636.4	16.4	230.9	241.5	564.1	275.7	297.6	192.3	192.9
Converse .....	632.6	12.6	234.7	245.3	567.9	279.5	301.4	196.1	196.7
Kirby .....	627.8	7.8	239.5	250.1	572.7	284.3	306.2	200.9	201.5
Gulf Junction ...	624.2	4.2	243.1	253.7	576.3	287.9	309.8	204.5	205.1
S. Ant'o, P. Dep.	620.0	....	247.3	257.9	580.5	292.1	314.0	208.7	209.3
S. Ant'o, Fr. Dep.	619.7	0.3	247.6	258.2	580.8	292.4	314.3	209.0	209.6
Union Stock Yds.	616.8	3.2	250.5	261.1	583.7	295.3	317.2	211.9	212.5
Alazan .....	615.2	4.8	252.1	262.7	585.3	296.9	318.8	213.5	214.1
Withers .....	610.8	9.2	256.5	267.1	589.7	301.3	323.2	217.9	218.5
Macdona .....	602.7	17.3	264.6	275.2	597.8	309.4	331.3	226.0	226.6
Uvalde Junction..	527.9	92.1	339.4	350.0	672.6	384.2	406.1	300.8	301.4
Noonan .....	588.5	31.5	278.8	289.4	612.0	323.6	345.5	240.2	240.8
Dunlay .....	580.6	39.4	286.7	297.3	619.9	331.5	353.4	248.1	248.7
Quihi .....	575.0	45.0	292.3	302.9	625.5	337.1	359.0	253.7	254.3
Hondo .....	570.8	49.2	296.5	307.1	629.7	341.3	363.2	257.9	258.5
D'Hanis .....	562.3	57.7	305.0	315.6	638.2	349.8	371.7	266.4	267.0
Seco .....	557.4	62.6	309.9	320.5	643.1	354.7	376.6	271.3	271.9
Sabinal .....	549.8	70.2	317.5	328.1	650.7	362.3	384.2	278.9	279.5
Yucca .....	545.4	74.6	321.9	332.5	655.1	366.7	388.6	283.3	283.9
Knippa .....	538.8	81.1	328.4	339.0	661.6	373.2	395.1	289.8	290.4
Ange .....	533.0	87.0	334.3	344.9	667.5	379.1	401.1	295.7	296.3
Uvalde .....	528.2	91.8	339.1	349.7	672.3	383.9	405.8	300.5	301.1
Uvalde Junction..	527.9	92.1	339.4	350.0	672.6	384.2	406.1	300.8	301.4
Hacienda .....	521.7	98.3	345.6	356.2	678.8	390.4	412.3	307.0	307.6
Obi .....	516.0	104.0	351.3	361.9	684.5	396.1	418.0	312.7	313.3
Cline .....	509.9	110.1	357.4	368.0	690.6	402.2	424.1	318.8	319.4
Odlaw .....	504.5	115.5	362.8	373.4	696.0	407.6	429.5	324.2	324.8
Pavo .....	500.0	120.0	367.3	377.9	700.5	412.1	434.0	328.7	329.3
Anacacho .....	495.7	124.3	371.6	382.2	704.8	416.4	438.3	333.0	333.6
Spofford .....	487.6	132.4	379.7	390.3	712.9	423.5	446.4	341.1	341.7



*(a) Short-Line Distance as Maximum*

When two or more routes are in operation between points, the rate applicable via the shortest line is adopted by the other lines accepting freight between such points.

Taking Houston, Tex., as a representative point of origin and San Antonio, Tex., as the destination, the distance is shown as 210 miles and the scale for this distance, it being over a line under a common management, would be as shown in Table 2.

To make the rates to the same points from Galveston, the arbitraries shown on page 22 are added to the Houston rates as constructed above.

*(b) Combination of Local Distances*

Assuming that the distance between two points is 100 miles via a route consisting of two lines not under the same control and that one line hauls the traffic 60 miles and the other line 40 miles, the rates would be made by adding the joint arbitraries given below to the scale shown for 100 miles, viz.:

Classes .....	1	2	3	4	5	A	B	C	D	E
Single-line rates .....	44	41	38	35	26	27	24	21	16	13
Joint arbitraries .....	8	7	6	5	4	4	4	3	2	2
	—	—	—	—	—	—	—	—	—	—
Through rates.....	52	48	44	40	30	31	28	24	18	15

Occasionally the application of the single-line rates for each line's proportion of the through haul will produce a lower rate than is obtained by applying the scale for continuous mileage. For illustration, the joint rates for

## 18 FREIGHT RATES—WESTERN TERRITORY

a haul of 20 miles, 10 miles of which is over each line, would be as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
Single-line rates.....	17	15	13	11	9	10	8	6	6	5
Joint-haul arbitraries..	8	7	6	5	4	4	4	3	2	2
	—	—	—	—	—	—	—	—	—	—
Through joint rates...	25	22	19	16	13	14	12	9	8	7

The combination of the single-line rates would be:

Classes .....	1	2	3	4	5	A	B	C	D	E
10 miles and less.....	13	12	10	8	6	7	6	5	5	4
“ “ “ “ .....	13	12	10	8	6	7	6	5	5	4
	—	—	—	—	—	—	—	—	—	—
Through rates.....	26	24	20	16	12	14	12	10	10	8

A lower rate on fifth class is obtained in this manner than is obtained under the joint scale; therefore, this lower rate would be applied.

### 3. LOCAL RATES

Class rates between points located in this territory are made in accordance with the distance rates announced by the Railroad Commission of Texas. The current rates for single-line hauls are reproduced in Table 2, this basis having been in effect for some time. Although this basis is considerably higher than the basis employed in Central Freight Association Territory, the Texas lines contend that they do not afford sufficient remuneration, and a movement is on foot to secure an advance in these rates. Well-informed authorities, however, do not consider that this increase will be granted, inasmuch as public sentiment is strongly opposed to it.

TABLE 2

## SINGLE-LINE RATES OF THE RAILROAD COMMISSION OF TEXAS

DISTANCES—MILES	RATES IN CENTS PER 100 POUNDS										
	Classes <sup>1</sup>										
	1	2	3	4	5	A	B	C	D	E	
	Less than Carloads				Carloads						
10 and less.....	13	12	10	8	6	7	6	5	5	4	
12 and over 10.....	14	12	11	9	6	7	6	5	5	4	
15 and over 12.....	15	13	12	10	7	8	6	5	5	4	
18 and over 15.....	16	14	12	10	8	9	7	6	5	5	
21 and over 18.....	17	15	13	11	9	10	8	6	6	5	
24 and over 21.....	18	16	14	12	10	11	9	7	6	5	
27 and over 24.....	19	17	15	13	11	12	10	8	7	6	
30 and over 27.....	20	18	16	14	12	13	11	9	7	6	
33 and over 30.....	21	19	17	15	13	14	12	10	8	6	
36 and over 33.....	22	20	18	16	14	15	13	10	8	7	
39 and over 36.....	23	21	19	17	15	16	14	11	9	7	
42 and over 39.....	24	22	20	18	16	17	14	11	9	7	
45 and over 42.....	25	23	21	19	17	18	15	12	10	8	
48 and over 45.....	26	24	22	20	17	18	15	12	10	8	
51 and over 48.....	27	25	23	21	18	19	16	13	11	8	
54 and over 51.....	28	26	24	22	18	19	16	13	11	9	
57 and over 54.....	29	27	25	23	19	20	17	14	12	9	
60 and over 57.....	30	28	26	24	19	20	17	14	12	9	
63 and over 60.....	31	28	26	24	20	21	18	15	13	10	
66 and over 63.....	32	29	27	25	20	21	18	15	13	10	
69 and over 66.....	33	30	28	26	21	22	19	16	13	10	
72 and over 69.....	34	31	29	27	21	22	19	16	13	10	
75 and over 72.....	35	32	30	28	22	23	20	17	14	11	
78 and over 75.....	36	33	31	29	22	23	20	17	14	11	
81 and over 78.....	37	34	32	30	23	24	21	18	14	11	
84 and over 81.....	38	35	33	30	23	24	21	18	14	11	
87 and over 84.....	39	36	34	31	24	25	22	19	15	12	
90 and over 87.....	40	37	35	32	24	25	22	19	15	12	
93 and over 90.....	41	38	35	32	25	26	23	20	16	13	
96 and over 93.....	42	39	36	33	25	26	23	20	16	13	
99 and over 96.....	43	40	37	34	26	27	24	21	16	13	
102 and over 99.....	44	41	38	35	26	27	24	21	16	13	
105 and over 102.....	45	42	39	36	27	28	25	22	17	14	
108 and over 105.....	46	43	40	37	27	28	25	22	17	14	
111 and over 108.....	47	44	40	38	28	29	26	23	17	14	
114 and over 111.....	48	45	41	39	28	29	26	23	17	14	
117 and over 114.....	49	46	42	40	29	30	27	24	18	15	
120 and over 117.....	50	47	43	41	29	30	27	24	18	15	
124 and over 120.....	51	47	43	41	30	31	28	25	18	15	
128 and over 124.....	52	48	44	42	30	31	28	25	18	15	
132 and over 128.....	53	49	45	43	31	32	29	25	18	15	
136 and over 132.....	54	50	45	43	31	32	29	26	19	16	
140 and over 136.....	55	51	46	44	32	33	30	26	19	16	

<sup>1</sup> Governed by the Texas Classification.

TABLE 2—Continued

DISTANCES—MILES	RATES IN CENTS PER 100 POUNDS										
	Classes <sup>1</sup>										
	1	2	3	4	5	A	B	C	D	E	
	Less than Carloads				Carloads						
144 and over 140.....	56	52	47	45	32	33	30	26	19	16	
148 and over 144.....	57	53	48	46	33	34	31	27	19	16	
152 and over 148.....	58	54	49	47	33	34	31	27	19	16	
156 and over 152.....	59	55	50	48	34	35	32	27	20	16	
160 and over 156.....	60	56	51	49	34	35	32	28	20	16	
164 and over 160.....	61	56	51	49	35	36	33	28	20	16	
168 and over 164.....	62	57	51	49	35	36	33	28	20	16	
172 and over 168.....	63	58	52	50	36	37	34	29	20	16	
176 and over 172.....	64	59	53	51	36	37	34	29	21	16	
180 and over 176.....	65	60	54	52	37	38	35	29	21	16	
184 and over 180.....	66	61	55	53	37	38	35	30	21	16	
188 and over 184.....	67	62	56	54	38	39	36	30	21	16	
192 and over 188.....	68	63	57	55	38	39	36	30	21	16	
196 and over 192.....	69	64	58	56	39	40	37	31	22	17	
200 and over 196.....	70	65	58	56	39	40	37	31	22	17	
205 and over 200.....	71	65	58	56	40	41	37	31	22	17	
210 and over 205.....	72	66	59	57	40	41	38	32	22	17	
215 and over 210.....	73	67	59	57	41	42	38	32	22	17	
220 and over 215.....	74	68	59	57	41	42	38	32	22	17	
225 and over 220.....	75	69	59	57	42	43	39	33	23	17	
230 and over 225.....	76	70	60	58	42	43	39	33	23	17	
235 and over 230.....	77	70	60	58	43	44	39	33	23	17	
240 and over 235.....	78	71	60	58	43	44	40	34	23	17	
245 and over 240.....	79	71	60	58	44	45	40	34	23	17	
Over 245.....	80	72	60	58	44	46	40	34	23	17	

<sup>1</sup> Governed by the Texas Classification.

In this table observe that the rates from 12 to 120 miles increase with every third mile; from 121 to 200 miles with every fourth mile; and from 201 to 245 miles with every fifth mile.

#### 4. JOINT RATES

For the transportation of shipments over two or more railroads which are not under the same management or control, rates, in general, are made by the addition of the following scale of differentials (in cents per 100 pounds and governed by the Texas Classification) to the single-line rates shown in Table 2, with the proviso that when the sum of rates prescribed for local application is

less than a joint rate made in accordance with the above instructions, such sum of rates shall be used as the joint rate:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials .....	8	7	6	5	4	4	4	3	2	2

### 5. MAXIMUM RATES

In the case of either single-line or joint-line hauls the rates between points in Common Point Territory are not to exceed the following figures, except in cases like Galveston and other cities where rates are constructed by the addition of differentials, and in cases where a higher basis of rates is shown under the exceptions given on page 23.

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	80	72	60	58	44	46	40	34	23	17

For illustration, while the rates from Houston to any point in Common Point Territory, over 245 miles distant, are fixed at the maximum scale, the rates from Galveston are made in the following manner:

Classes .....	1	2	3	4	5	A	B	C	D	E
Common-point rates...	80	72	60	58	44	46	40	34	23	17
Differentials .....	7	6	5	3	3	3	3	2	2	2
	—	—	—	—	—	—	—	—	—	—
Through rates .....	87	78	65	61	47	49	43	36	25	19

### 6. SPECIFIC RATES

The basis authorized for the construction of rates from the Gulf ports of Galveston and Texas City is not in conformity with that for the local and joint rates just given.

The rates from these ports to all points are made by constructing the rate from Houston, Tex., to final destination and there adding the following scale of arbitraries (in cents per 100 pounds and governed by the Texas Classification) to the rates so constructed.

Classes .....	1	2	3	4	5	A	B	C	D	E
Arbitraries .....	7	6	5	3	3	3	3	2	2	2

On local traffic between Houston and Galveston, Houston and Texas City, Houston and Velasco, Velasco and Galveston, Velasco and Texas City, Galveston and Texas City, and Galveston and North Galveston, the following scale of rates will be applied, except where the actual mileage makes less, in which event the mileage basis is applied:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	20	18	16	15	12	12	11	9	8	5

Between Port Arthur or Sabine Pass to Texas Common Points rates are made the same differentials over Beaumont, Tex., as Galveston is over Houston.

*(a) To Points Affected by Water Competition*

To meet water competition, the Texas commission frequently establishes between points involved specific rates which disregard to a great extent the long-and-short-haul principle. Thus the carriers are enabled to compete to some extent for traffic with the water carriers. The rates between Houston or Galveston and Texas points are shown in Table 3.

TABLE 3

WATER RATES BETWEEN HOUSTON OR GALVESTON AND COAST  
POINTS\*

BETWEEN HOUSTON OR GALVESTON AND	RATES IN CENTS PER 100 POUNDS										
	Classes <sup>1</sup>										
	1	2	3	4	5	A	B	C	D	E	
	Less than Carloads				Carloads						
Port Lavaca and Hawkinsville ...	30	30	30	30	20	20	20	20	20	16	
Orange <sup>2</sup> .....	30	28	20	20	15	15	15	15	15	14	
Beaumont.....	30	28	20	20	15	15	15	15	14	11	
Liberty.....	24	22	20	18	15	15	14	11	9	7	
Sabine, Sabine Pass, Port Arthur, West Port Arthur, and Port Neches .....	30	28	20	20	15	15	15	15	15	13	
Between Orange and Sabine, Sabine Pass, Port Arthur, West Port Arthur, and Port Neches.....	20	18	16	15	12	12	11	9	8	5	

<sup>1</sup> Governed by the Texas Classification.<sup>2</sup> All class rates applicable to shipments transported between Galveston and Beaumont shall be observed and applied to shipments of the same class transported between Galveston and Orange. All class rates applicable to shipments transported from Galveston to Orange shall be observed as maxima on shipments of the same class transported from Port Arthur to Orange.

## 7. EXCEPTIONS TO APPLICATION OF GENERAL BASIS

As may be inferred, traffic peculiarities such as scarcity of traffic, cost of operation, and so forth, frequently enter into a wholesale adjustment of rates of this character and compel a disregard of the general basis. Representative exceptions to the general basis set forth in the preceding pages of this chapter are given in Table 4. It has not been deemed expedient to indicate the mileage scales applicable to the various lines shown therein, as the reproduction of a number of scales would tend to confuse the reader rather than to enlighten him (page 23).

TABLE 4

## EXCEPTIONS TO THE GENERAL APPLICATION OF RATES

STATIONS ON THE	REMARKS
Chicago, Rock Island & Gulf Railway.	Special mileage scale.
Fort Worth & Denver City Railway (Hodge to Bowie).	Special mileage scale.
Texas Central Railroad (Dublin to DeLeon; also Cisco and Rising Star).	Special mileage scale.
San Antonio & Aransas Pass Railway.	South of Alice, rates are made by adding to the distance rates shown in Table 2 the differential rates named in Table 5.
Quanah, Acme & Pacific Railroad.	Special mileage scale.
Pecos Valley Southern Railway.	Special mileage scale.
St. Louis, Brownsville & Mexico Railway.	Between stations on the line of the San Antonio & Rio Grande Railway and other points in Texas, rates are made by adding to the rates applying between San Juan and other points in Texas the following rates: Classes. 1 2 3 4 5 A B C D E Rates...18 16 14 12 10 11 9 7 6 5 These rates are governed by the Texas Classification.
San Benito & Rio Grande Valley Railway.	Rates are constructed on a special scale of differentials.



## CHAPTER III

### TEXAS INTRASTATE RATES (Continued)

#### 1. DIFFERENTIAL TERRITORY

A different basis is provided for the construction of rates to, from, and between points located in Differential Territory, which territory is described as embracing all that portion of the State of Texas not embraced in Common Point Territory, as previously described (see page 13).

#### 2. BASIS FOR RATES

The rates to or from points in this territory (with some exceptions which are enumerated) on shipments moving more than 245 miles are made by adding to the maximum common-point rates the rates shown in Table 5, applying continuous mileage for the distance over the common point.

Probably the most striking feature in this territory is the few lines that serve it. The service is afforded by a comparatively few lines as contrasted with Common Point Territory. The absence of competition, therefore, must have some bearing on the higher basis of rates which is applied from this section of the state.

TABLE 5  
DIFFERENTIAL RATES

DISTANCES—MILES	RATES IN CENTS PER 100 POUNDS										
	Classes <sup>1</sup>										
	1	2	3	4	5	A	B	C	D	E	
	Less than Carloads				Carloads						
20 and less.....	2	2	1	1	1	1	1	1	1	1	
30 and over 20.....	3	2	1	1	1	1	1	1	1	1	
40 and over 30.....	4	3	2	1	1	1	1	1	1	1	
50 and over 40.....	5	4	3	2	1	2	1	1	1	1	
60 and over 50.....	6	5	4	3	2	3	2	2	2	2	
70 and over 60.....	7	6	5	4	3	4	2	2	2	2	
80 and over 70.....	8	7	6	5	4	5	3	2	2	2	
90 and over 80.....	9	8	7	6	5	6	4	3	3	2	
100 and over 90.....	10	9	8	7	6	7	5	4	3	3	
110 and over 100.....	11	10	9	8	7	8	6	5	4	3	
120 and over 110.....	12	11	10	9	7	8	6	5	4	3	
130 and over 120.....	13	12	11	10	8	9	7	6	5	4	
140 and over 130.....	14	13	12	11	8	9	7	6	5	4	
150 and over 140.....	15	14	13	12	9	10	8	7	6	5	
160 and over 150.....	16	15	14	13	9	10	8	7	6	5	
170 and over 160.....	17	16	15	14	10	11	9	8	7	6	
180 and over 170.....	18	17	16	15	10	11	9	8	7	6	
190 and over 180.....	19	18	17	16	11	12	10	9	8	7	
200 and over 190.....	20	19	18	17	11	12	10	9	8	7	
215 and over 200.....	21	20	19	18	12	13	11	10	9	8	
230 and over 215.....	22	21	20	19	12	13	11	10	9	8	
245 and over 230.....	23	22	20	19	13	14	12	11	10	9	
260 and over 245.....	24	23	21	20	13	14	12	11	10	9	
Over 260.....	25	23	21	20	14	15	13	12	11	10	

<sup>1</sup> Governed by the Texas Classification.

The rates so made on shipments between points on the Galveston, Harrisburg & San Antonio Railway (San Antonio and west) or between points on the Texas & Pacific Railway (Sherman or Dallas and west) shall not exceed the following figures:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	100	93	81	78	58	61	53	44	32	24

### 3. EXCEPTIONS TO GENERAL BASIS

Some of the exceptions to this basis made by the Texas Commission are as follows:

## 1. Rio Grande Railroad :

BETWEEN	RATES IN CENTS PER 100 POUNDS										
	Classes <sup>1</sup>										
	1	2	3	4	5	A	B	C	D	E	
	Less than Carloads				Carloads						
Brownsville and end of track Laguna Madre .....	30	26	22	19	18	20	19	16	14	11	
Brownsville and Point Isabel and intermediate points....	26	21	17	15	12	14	13	11	9	6	
Point Isabel and end of track Laguna Madre .....	10	8	6	5	4	4	4	4	3	3	

<sup>1</sup> Governed by the Texas Classification.

2. St. Louis, Brownsville & Mexico Railway, south of Robstown, and San Antonio & Aransas Pass Railway south of Alice :

(a) The rates on all classes and commodities moving between points on the San Antonio & Aransas Pass Railway south of Alice and other points in Texas shall be made by employing, for such mileage south of Alice traversed by the shipments, the differential rates as prescribed in the various tariffs adopted or approved by this commission regardless of the distance such shipments may move in excess of such mileage south of Alice.

(b) The rates on all classes and commodities moving between points on the St. Louis, Brownsville & Mexico Railway south of Robstown and points on other lines in Texas (other than St. L., B. & M. junctions), shall be made by employing, for the mileage south of Robstown traversed by the shipments, the differential rates as prescribed in the various tariffs adopted or approved by this commission regardless of the distance such shipments may move in excess of such mileage south of Robstown.

3. Wichita Valley Railway: The line of the Wichita Valley Railway west of Sagerton shall be treated as in differential territory, and the following differential figures shall be observed, under the rules governing the application of differentials, for the distance west of Stamford on shipments moving to or from the points named below :

STATIONS	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
	Less than Carloads				Carloads					
Brandenburg .....	3	2	1	1	1	1	1	1	1	1
Aspermont .....	4	3	2	1	1	1	1	1	1	1
Gowdy .....	4	3	2	1	1	1	1	1	1	1
Alluvia .....	5	4	3	2	1	2	1	1	1	1
Oriana .....	6	5	4	3	2	3	2	2	2	2
Jayton .....	6	5	4	3	2	3	2	2	2	2
Girard .....	7	6	5	4	3	4	2	2	2	2
Sterley .....	8	7	6	5	4	5	3	2	2	2
Spur .....	8	7	6	5	4	5	3	2	2	2

<sup>1</sup> Governed by the Texas Classification.

4. Quanah, Acme & Pacific Railway: The line of the Quanah, Acme & Pacific Railway west of Quanah shall be treated as in differential territory, and the following differential figures shall be observed, under the rules governing the application of differentials, for the distance west of Quanah on shipments moving to or from the points named below:

STATIONS	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
	Less than Carloads				Carloads					
Lazare .....	3	2	1	1	1	1	1	1	1	1
Sommer .....	3	2	1	1	1	1	1	1	1	1
Baker .....	4	3	2	1	1	1	1	1	1	1
Swearingen .....	5	4	3	2	1	2	1	1	1	1
Paducah .....	6	5	4	3	2	3	2	2	2	2

<sup>1</sup> Governed by the Texas Classification.

5. Pecos Valley Southern Railway: Class rates applicable to shipments moving between points on the Pecos Valley Southern Railway and points on other lines in Texas shall be made by employing, for the distance moved by the Pecos Valley Southern

**Railway**, the regularly prescribed differential rates regardless of the distance such shipments may move in excess of such Pecos Valley Southern Railway mileage actually traversed; that is, the provision that shipments must move more than 245 miles before differentials are added will be waived and differentials will be employed in all cases of joint shipments to or from points on that line.

6. Crosbyton-Southplains Railroad: Joint rates on all carload and less-than-carload shipments of freight moving between points on the Crosbyton-Southplains Railroad and points on other lines of railway in Texas shall be made by employing, for the distance moved by the Crosbyton-Southplains Railroad, the regular prescribed differential rates regardless of the distance such shipments may move in excess of such Crosbyton-Southplains Railroad mileage actually traversed; that is, the line of said Crosbyton-Southplains Railroad will be considered as in differential territory, and the provisions that shipments must move more than certain prescribed maximum tariff distances before differentials are added will be waived and differentials will be employed in all cases of joint shipments to or from points on that line.

#### 4. CONSTRUCTION OF RATES

Rates between points located in Texas Common Point Territory on the one hand and Texas Differential Territory on the other involve the combination basis; that is, the rates applicable for the haul in Common Point Territory are combined with those applying in Differential Territory.

To illustrate the construction of rates in Common Point and Differential territories and between them, in Table 6 are shown certain rates applying between Houston, Tex., and points on the Galveston, Harrisburg & San Antonio Railway, west of Houston to and including El Paso, Tex.

TABLE 6

CLASS RATES APPLICABLE BETWEEN HOUSTON, TEXAS, AND  
STATIONS ON THE GALVESTON, HARRISBURG & SAN  
ANTONIO RAILWAY WEST OF HOUSTON

MILES	BETWEEN HOUSTON, TEXAS, AND	RATES IN CENTS PER 100 POUNDS									
		Classes <sup>1</sup>									
		1	2	3	4	5	A	B	C	D	E
2	Chaney Jct., Texas...	13	12	10	8	6	7	6	5	5	4
15	Lotus, Texas.....	15	13	12	10	7	8	6	5	5	4
20	Stafford, Texas.....	17	15	13	11	9	10	8	6	6	5
36	Rosenberg, Texas....	22	20	18	16	14	15	13	10	8	8
42½	Randon, Texas.....	25	23	21	19	17	18	15	12	9	8
52	East Bernard, Texas.	28	26	23	21	18	19	16	13	11	9
74	Ramsey, Texas.....	35	32	30	28	22	23	20	17	14	11
99	Weimar, Texas.....	44	21	38	35	26	27	24	21	16	13
125	Janice, Texas.....	52	48	44	42	30	31	28	25	18	15
144½	Harwood, Texas.....	57	53	48	46	33	34	31	27	19	16
209	San Antonio, Texas..	72	66	59	57	40	41	38	32	22	17
226	Macdona, Texas.....	76	71	60	58	42	43	39	33	22	17
234	Lacoste, Texas.....	77	70	60	58	43	44	39	33	23	17
241	Noonan, Texas.....	79	71	60	58	44	45	40	34	23	17
248	Dunlay, Texas.....	80	72	60	58	44	46	40	34	23	17
258	Hondo, Texas.....	82	74	61	59	45	47	41	35	24	18
272	Seco, Texas.....	82	74	61	59	45	47	41	35	24	18
301	Uvalde, Texas.....	85	76	63	60	45	48	41	35	24	18
341	Spofford, Texas.....	89	80	67	64	49	52	44	37	26	19
404	Feeley, Texas.....	96	87	74	61	53	56	48	41	29	22
470	Lozier, Texas.....	102	93	80	77	56	59	51	44	32	25
508	Feodora, Texas.....	104	95	82	78	57	60	52	45	33	26
515	Sanderson, Texas...]	105	95	81	78	58	61	53	46	34	27
599	Strobel, Texas.....]										
660	Quebec, Texas.....]										
708	Dahlberg, Texas....]										
749	Torcer, Texas.....]										
799	Fabens, Texas.....]	92	85	78	78	45	56	51	39	28	22
829	El Paso, Texas.....										

<sup>1</sup> Governed by the Texas classification.

Common Point Territory on this line terminates shortly west of Dunlay, Tex., at approximately 252 miles from

Houston. Beyond that point all stations are in Differential Territory.

The rates to the stations up to and including Dunlay, Tex., are in strict accordance with the rate basis set forth in Table 2, while to points in Differential Territory, i. e., west of Dunlay, if 252 miles are deducted from the figures shown in the left-hand column to obtain the distance from Common Point Territory. If the scale shown in Table 5 is added to the maximum common-point rate, it will be found that the rates are in conformity with the basis set forth for the construction of differential rates. At Sanderson, Tex., it will be observed that the maximum rate is reached, i. e., the combination of the highest rate permitted in Common Point Territory with the highest rate permitted in Differential Territory, and that from that point for 314 miles west the rate is blanketed to all intermediate stations.

At El Paso, Tex., owing to the fact that there is a more direct and consequently shorter route, the Galveston, Harrisburg & San Antonio Railway is compelled to meet the short-line rates, under the rule previously explained whereby when two points are served by more than one carrier, the rate applicable via the shortest route is to be met by the competing lines. This has no bearing on the rates to intermediate points and the carriers are permitted to exceed the short-line rates at intermediate points, as indicated in Table 6.

## 5. COMMODITY RATES

There are also quite a number of commodity rates established by the Railroad Commission of the state, which are applicable upon such traffic as cotton and cotton

seed products, grain and grain products, live stock, packing house products, vegetables and fruit (both fresh and canned), brick, clay, sand, stone, coal, and lignite; also a host of other rates covering practically all the mineral and agricultural products of the state.

Within the past two decades, Texas has made vast strides in the development of her natural resources, and with the intensified farming methods now employed, it may reasonably be anticipated that still greater volumes of products of the farm will be produced and exported to other states.

The basis for the construction of rates on live stock is representative of others. The notes, rules, and regulations, and other requirements announced tend to show what a great effect the rates prescribed by the Railroad Commission of the State of Texas have exerted on interstate traffic destined to the Southwest.

#### LIVE STOCK

Rates in cents per 100 pounds, to apply on shipments of live stock as specified, in carloads, transported by railroads between points in Texas.

#### SECTION 1. EXPLANATION

Columns headed No. 1 contain rates to apply on shipments transported over a single line of railroad or over two or more lines of railroad which are under the same management and control.

Columns headed No. 2 contain rates to apply on shipments transported over two or more lines of railroad which are not under the same management and control.



Table No. 1. Rates on Horses and Mules

DISTANCES—MILES			DISTANCES—MILES		
RATES			RATES		
No. 1	No. 2		No. 1	No. 2	
10 and less	9	12	150 and over 125	18	22½
15 and over 10	10	13	175 and over 150	19	23¾
20 and over 15	10½	13½	200 and over 175	20	25
25 and over 20	11	14½	250 and over 200	21½	26¼
30 and over 25	11½	15	300 and over 250	23	27½
35 and over 30	12	15½	350 and over 300	24½	28¾
40 and over 35	12½	16	400 and over 350	26	30
45 and over 40	13	16½	450 and over 400	27½	31¼
50 and over 45	13½	17	500 and over 450	29	32½
60 and over 50	14	17½	550 and over 500	30½	33¾
70 and over 60	14	18¾	600 and over 550	32	35
80 and over 70	15	19	650 and over 600	33½	36¼
90 and over 80	15½	19½	700 and over 650	35	37½
100 and over 90	16	20	750 and over 700	36	38¾
125 and over 100	17	21¼	Over 750	37	40

Table No. 2.—Rates on hogs, sheep, goats, work oxen and beef cattle; it being understood that “beef cattle” are those shipped to market for slaughter, and not intended for further conditioning by regular feed or pasture.

DISTANCES—MILES			DISTANCES—MILES		
RATES			RATES		
No. 1	No. 2		No. 1	No. 2	
10 and less	6	8½	150 and over 125	15	18¾
15 and over 10	6½	9	175 and over 150	16¼	20
20 and over 15	7	9½	200 and over 175	17½	21¼
25 and over 20	7½	10	250 and over 200	18¾	22½
30 and over 25	8	10½	300 and over 250	20	23¾
35 and over 30	8½	11¼	350 and over 300	21¼	25
40 and over 35	9	12	400 and over 350	22½	26
45 and over 40	9½	12½	450 and over 400	23¾	27
50 and over 45	10	13	500 and over 450	25	28
60 and over 50	10½	13½	550 and over 500	26¼	29
70 and over 60	11	14¼	600 and over 550	27½	30
80 and over 70	11½	15	650 and over 600	28¾	31
90 and over 80	12	15½	700 and over 650	30	32
100 and over 90	12½	16¼	750 and over 700	31¼	33
125 and over 100	13¾	17¼	Over 750	32½	34

Table No. 3.—Rates on shipments of cattle, all kinds, except such as are subject to rates in Table No. 2; also on cow ponies shipped with and used for herding stock cattle, transported over

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a single line of railroad or over two or more lines of railroad which are under the same management and control.

Distances—Miles	Rates	Distances—Miles	Rates
20 and less	5	320 and over 300	15
30 and over 20	5½	340 and over 320	15½
40 and over 30	6	360 and over 340	16
50 and over 40	7	380 and over 360	17
60 and over 50	8	400 and over 380	18
80 and over 60	8½	425 and over 400	19
100 and over 80	9	450 and over 425	19½
120 and over 100	10	475 and over 450	20
140 and over 120	10½	500 and over 475	20½
160 and over 140	11	525 and over 500	21
180 and over 160	11½	550 and over 525	21½
200 and over 180	12	600 and over 550	22
220 and over 200	12½	650 and over 600	23
240 and over 220	13	700 and over 650	24
260 and over 240	13½	750 and over 700	25
280 and over 260	14	800 and over 750	27½
300 and over 280	14½	Over 800	30

Joint rates to apply on shipments of stock cattle and cow ponies used in herding same, transported over two or more lines of railroad which are not under the same management and control, shall be made by adding two (2) cents per 100 pounds to the rates above prescribed for single line application.

### SECTION 2. MINIMUM WEIGHTS

Subject to the provisions of the law of the State of Texas affecting the transportation of calves, goats, hogs and sheep, in double-deck cars. Article 6555 and 6556, Revised Statutes of Texas.

The minimum weight of shipments transported over railroads of standard gauge shall be in proportion to the internal lengths of the cars employed, as indicated in the following tables:

1. For shipments of horses, mules, beef cattle and work oxen, and for double-deck shipments of calves, goats, hogs and sheep.

Minimum weights,		Minimum weights,	
Internal length of cars	pounds	Internal length of cars	pounds
31 feet and less	19,000	36½ feet and over 34	22,000
34 feet and over 31	20,500	40 feet and over 36½	24,500

2. For shipments of cattle, all kinds, except those provided for in Items 1 and 3 of this section; also on shipments of cow ponies provided for in Table No. 3, Section 1.

Minimum weights,		Minimum weights,	
Internal length of cars	pounds	Internal length of cars	pounds
31 feet and less . . . . .	18,000	36½ feet and over 34	20,000
34 feet and over 31 ..	19,000	40 feet and over 36½	21,000

3. For shipments of calves, goats, hogs and sheep, each sufficient in quantity to load only a single-deck car.

Minimum weights,		Minimum weights,	
Internal length of cars	pounds	Internal length of cars	pounds
31 feet and less . . . . .	15,000	36½ feet and over 34	16,000
34 feet and over 31 ..	15,500	40 feet and over 36½	16,500

4. Minimum weight on cars exceeding 40 feet in length shall be on the basis of 3 per cent of the 40-foot minimum for each foot or fraction thereof in excess of 40 feet.

Note:—The foregoing regulations shall not be construed as imposing upon railroad companies the obligation to furnish cars of specified dimensions.

The minimum weight of shipments transported over railroads of narrow gauge shall be as follows: For horses, mules, beef cattle, stock cattle, oxen and cows, and double-deck shipments of calves, goats, hogs and sheep, 20,000 pounds; for shipments of calves, goats, hogs and sheep, each sufficient to load only a single-deck car, 15,000 pounds per car.

### SECTION 3. TRANSPORTATION OF MEN IN CHARGE

Men in charge of shipments of live stock, in carloads, when belonging to one consignor, shall be passed as follows:

1. Pass one man in charge of one car of live stock, except horses and mules, no return pass. Pass one man each way in charge of one car of horses and mules.

2. Pass one man each way in charge of two to five cars of live stock, all kinds.

3. Pass two men each way in charge of six to ten cars of live stock, all kinds.

4. Pass three men each way in charge of eleven or more cars of live stock, all kinds, which will be the maximum number of men that will be passed with any shipment of live stock from one shipper in the same train.

5. The railway company at point of origin may, for the purpose of preventing the abuse of the privileges herein provided for, require of the shipper or his agent, a sworn statement to the effect that he, or his principal, is the real owner of the shipment offered, and that the number of men, for which free passage is asked, are actually needed in order to properly care for the same.

6. Return transportation for men in charge of live stock shipments shall be good only when presented within twenty-four hours of date of issue and for continuous passage without lay-over, from the destination of the shipment to the shipping points, and shall be limited to fifteen days from date of shipment from original shipping point.

7. Each railroad company shall use proper methods to secure the identification of parties entitled to free transportation under this section.

#### SECTION 4. APPLICATION OF RATES

The rates and regulations of this tariff apply on shipments of live stock, as described, when transported in ordinary stock cars or stable cars. When in palace stock cars the shipments will be charged the customary rental of the companies owning such cars in addition to the freight rates herein established.

A stable car is one having two gates which divide its interior into three compartments, while palace cars have a separate stall for each animal.

#### SECTION 5. EXCEPTIONS

1. The rate between Houston, Galveston and intermediate stations on shipments of live stock subject to this tariff shall be 5 cents per 100 pounds, with minimum charge of \$10 per car.

\* \* \* \* \*

5. Texas & Gulf Railway : Shipments of live stock from stations on the Texas & Gulf Railway, destined to Longview Junction, shall be subject to a switching charge of \$2.50 per car, in addition to the local freight rates prescribed in this tariff, when such shipments are unloaded at the stock pens of the Texas & Pacific Railway at Longview Junction.

6. Weatherford, Mineral Wells & Northwestern Railway : Rates, in cents per 100 pounds, to apply as indicated in the table below :

BETWEEN—	AND	FORT WORTH			DALLAS		
		Horses and mules	Beef cattle, etc.	Stock cattle	Horses and mules	Beef cattle, etc.	Stock cattle
Lemley to Mineral Wells, inclusive .....		13	9½	7	15	11½	8½
Salesville and Oran.....		15	11½	8½	17	13¾	10
Graford .....		16	12½	9	18	15	10½

Rates to intermediate points not to be affected.

7. San Antonio & Aransas Pass Railway : Rates, in cents per 100 pounds:

Between San Antonio and—	Horses and mules	Beef cat- tle, oxen and cows	Stock cattle
Van Raub .....	6	5½	5
Boerne .....	7	6	5½
Waring .....	8½	7½	7
Comfort .....	8½	7½	7
Ganahl .....	9	8	7½
Kerrville .....	9	8	7½

8. International & Great Northern Railway and San Antonio & Aransas Pass Railway : Rate on beef cattle and calves, in carloads, from Rockdale to Galveston, 17½ cents per 100 pounds.

9. Texas Mexican Railway : Stock cattle, carloads, from Laredo to Bruni and intermediate points, when for grazing purposes, \$7.50 per car.

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12½. The Galveston, Harrisburg & San Antonio Railway (old N. Y., T. & M. and G., W. T. & P. Rys.) is authorized to stop in transit carload shipments of live stock, to load or unload, at a charge of \$5.00 per car for the stop, in addition to the through rate from point of origin to destination on shipments originating at or destined to such points.

\*   \*   \*   \*   \*   \*   \*   \*   \*   \*

14. Missouri, Kansas & Texas Railway of Texas: Beef cattle, in carloads, from Bartlett, Granger, Circleville, Taylor and Coupland to Galveston, 17½ cents per 100 pounds.

\*   \*   \*   \*   \*   \*   \*   \*   \*   \*

15. Gulf, Colorado & Santa Fe Railway: Live stock, carloads, between Allen Farm and Rogers Ranch, \$10.00 per car.

\*   \*   \*   \*   \*   \*   \*   \*   \*   \*

27. Allowance for "Fill."—Missouri, Kansas & Texas Railway Company of Texas; Fort Worth & Denver City Railway; Gulf, Colorado & Santa Fe Railway; International & Great Northern Railway; Fort Worth & Rio Grande Railway; St. Louis, San Francisco & Texas Railway Company; San Antonio & Aransas Pass Railway; Texas & Pacific Railway; Trinity & Brazos Valley Railway; Chicago, Rock Island & Gulf Railway; Galveston, Harrisburg & San Antonio Railway; Texas & New Orleans Railroad; Houston & Texas Central Railroad; Houston East & West Texas Railway; St. Louis Southwestern Railway of Texas; Wichita Falls & Northwestern Railway of Texas; Wichita Falls & Southern Railway; Pecos & Northern Texas Railway and Southern Kansas Railway of Texas: Pending the establishment of the necessary scales and other proper facilities at the Fort Worth Stock Yards at North Fort Worth, Texas, for the weighing, before or immediately after unloading, of live stock shipments from points in Texas and delivered at such stock yards, an allowance for "fill" will be made by the above named lines of railway, as follows:

Cattle and calves.....	600 pounds per car
Hogs in single-deck cars.....	200 pounds per car
Hogs in double-deck cars.....	400 pounds per car

The net weight so obtained to be subject to established and published minimum carload weights governing the transportation of live stock, and no allowance will be made on any other class of live stock.

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## 6. BASIS FOR THE CONSTRUCTION OF RATES ON LIVE STOCK

The following is the basis for rates authorized by the state commission for the construction of rates on shipments of live stock moving within the state of Texas:

\* \* \* \* \*

36. Beef Cattle. Reconsigning from Market Points.—The privilege of the Fort Worth, Dallas, Houston, San Antonio and Amarillo markets will be allowed on shipments of beef cattle when consigned through or when consigned locally to the market points above named and reconsigned, thence to any of said points; provided, the initial and second movements are in direct line of transit; and provided further that the actual mileage traversed by the shipment is employed in determining the through rate, and that the shipment is reconsigned within 48 hours after reaching the first destination, except when Sunday or a legal holiday intervenes 72 hours will be allowed; and provided further that all shipments reconsigned from the market points named must be by authority of the line bringing the shipment into that point. In case of reconsignment all expense incidental to moving the shipments to and from private stock yards to be added to the through rate.

This arrangement to apply on shipments of beef cattle having origin and destination on the lines hereinafter named, or having origin or destination on connecting lines, the lines named herein being intermediate carriers:

Galveston, Harrisburg & San Antonio Railway; Texas & New Orleans Railroad; Houston & Texas Central Railroad; Wichita Valley Railway; Houston, East & West Texas Railway; Fort Worth & Denver City Railway; Pecos & Northern Texas Railway; Chicago, Rock Island & Gulf Railway; St. Louis, San

Francisco & Texas Railway; Southern Kansas Railway of Texas; Fort Worth & Rio Grande Railway; Missouri, Kansas & Texas Railway of Texas; International & Great Northern Railway; Gulf, Colorado & Santa Fe Railway; Trinity & Brazos Valley Railway; Texas & Pacific Railway; Galveston, Houston & Henderson Railroad; Beaumont, Sour Lake & Western Railway; Orange & Northwestern Railroad; St. Louis, Brownsville & Mexico Railway; San Antonio & Aransas Pass Railway.

#### GENERAL RULES

1. Mixed Carloads.—A shipment composed of two or more kinds of live stock, loaded in the same car, shall be subject to the rate prescribed for that kind of live stock contained in the car, which, in straight carloads, takes a higher rate than the balance of the shipment; provided, that a charge made under this rule shall not exceed the aggregate of charges on the various portions of the shipment, at the rate applicable to each portion, if shipped separately.

2. Dipping-in-Transit.—Shipments of live stock, in carloads, between points in Texas may be stopped-in-transit, at dipping points designated by the State or Federal Government, for the purpose of dipping, at a charge of \$5.00 per car in addition to the through rate applicable from origin to destination.



## CHAPTER IV

### ALL-RAIL INTERSTATE RATES TO AND FROM TEXAS

#### 1. DEVELOPMENT

The rates in effect from St. Louis to Texas Common Points for the past twenty-eight years are shown in the following:

Classes	1	2	3	4	5	A	B	C	D	E
1887	120	104	88	77	..	67	60	55	45	40
1888	120	104	88	77	63	67	60	55	45	40
1889	133	117	101	90	70	75	67	60	48	40
1891	133	117	102	92	72	76	67	57	46	39
1894	130	113	97	90	70	74	65	54	43	39
1903	137	121	104	96	75	79	70	58	46	39
1908	147	129	112	102	80	85	75	62	50	43
Present	147	125	104	96	75	79	70	58	46	39

The present scale (which, as may be observed, is the same as that which was in effect in 1903, except for the differences existing in the first-class and second-class rates) was prescribed by the Interstate Commerce Commission upon complaint of the Railroad Commission of Texas that the 1908 advance in rates was unreasonable, and became effective May 15, 1911.

In prescribing this scale of rates for the future, the Commission stated as follows:

The density of the traffic, the physical condition and financial strength of the carriers participating in the traffic from St. Louis to Denver differ materially from the conditions that are characteristic of the traffic from St. Louis to Texas and of the carriers participating in it. Under such circumstances comparisons often

lead to unsatisfactory conclusions. Nevertheless, with the full knowledge acquired by the Commission in the case referred to, as well as in other cases, of the conditions that surround the Colorado traffic, we think that to a certain extent the Colorado rates furnish some guide as to what are proper class rates to Texas common points.<sup>1</sup>

## 2. RATES TO AND FROM DEFINED TERRITORIES

### *(a) Grouping of Territory*

The rates from St. Louis to Texas Common Points are the base rates, or adjustment axis, on which the interstate rates between points in Southwestern Tariff Committee Territory and points in defined territories are constructed.

In much the same manner as in the Colorado and Utah common point adjustment, but on a more comprehensive scale,<sup>2</sup> adjoining territories are divided into groups, for the purpose of assigning relatively fair differentials for use in the construction of through rates from the various sections of the country.

These groups are designated and described as follows:

#### ATLANTIC SEABOARD TERRITORY

Seaboard Territory includes all points east of the following described boundary line from Toronto, Ont., via the shore of Lake Ontario, and Hamilton to Niagara, Ont.; thence via the Niagara River including both banks of said river to Buffalo, N. Y.; thence via the Buffalo, Rochester & Pittsburgh Ry. to Salamanca, N. Y.; thence via the Erie R. R. to Falconer Junction, N. Y.; thence via the Dunkirk, Allegheny Valley & Pittsburgh R. R. to Warren and Struthers, Pa.; thence via the Western New York & Pennsylvania R. R. to Oil City, Pa.; thence via the Allegheny River to Franklin, Pa.; thence via an imaginary line immediately west of the

<sup>1</sup> 20 I. C. C. Rep., 463-485.

<sup>2</sup> See Map 14 of Atlas of Traffic Maps.

Allegheny River and east of Glenora, Pa., to Butler, Pa.; thence via the Pittsburgh & Wheeling R. R. to Allegheny, Pa.; thence to Pittsburgh, Pa., but exclusive of the following:

All points on Western Pennsylvania Division of Pennsylvania R. R., Allegheny to Edri, Pa., including Butler, Pa., and intermediate points.

Points on main line Pennsylvania R. R., Pittsburgh to Latrobe, Pa., inclusive.

Points on McKeesport Connection R. R. (Penna. Co.)

Points on Southwest Division Pennsylvania R. R., Greenburg to New Stanton, Pa., including points on main line Radebough Branch.

Points on Monongahela Division Pennsylvania R. R., Pittsburgh to Belle Vernon, Pa., inclusive.

Points on Turtle Creek Valley R. R.

Points on Allegheny Valley R. R., Pittsburgh to Ford City, Pa.

Points on Baltimore & Ohio R. R., Pittsburgh to West Newton, Pa., inclusive.

Points on Pittsburgh & Lake Erie R. R., Pittsburgh to West Newton, Pa., inclusive, and McKeesport to Belle Vernon, Pa., inclusive.

Thence from Pittsburgh, Pa., via the Baltimore & Ohio R. R., through Glenwood, and Washington, Pa., to Wheeling, W. Va. (but not including such points); thence south via an air line to Cannelton, W. Va.; thence via an air line from a point just south of Cannelton to a point just east of Bristol, Tenn.; thence to the Atlantic Ocean along the northern boundary line of Tennessee and North Carolina; and thence along the Atlantic Coast, including Port cities, to but not including Key West, Fla.

Alphabetical list of points in the foregoing described territory are shown in Territorial Directory No. 1 of Wm. J. Sedgman, Agent.

### CAROLINA TERRITORY

Carolina Territory includes that territory east of Macon and Nashville territories and south of Middlesborough Territory, west of an air line drawn due south from a point just south of Bristol, Tenn., except points on the Southern Ry. between Morristown and Paint Rock to a point east of Tryon, N. C., on the North Carolina-South Carolina state line; thence east on the North Carolina-South Carolina state line to Grover, N. C.; thence via the Southern Ry. to and including Charlotte, N. C.; and thence on and south of the Seaboard Air Line to but not including Wilmington, N. C.

Carolina Territory does not include Atlantic Coast points in Seaboard Territory.

### CHICAGO-CINCINNATI TERRITORY

Beginning at Chicago, Ill.; and thence via the Chicago & North-Western Ry. to Des Plaines, Ill.; thence via Minneapolis, St. Paul &

Sault Ste. Marie Ry. to Franklin Park, Ill.; thence via the Chicago, Milwaukee & St. Paul Ry. to Elgin, Ill. (including Carpentersville and Dundee, Ill., on the Chicago & North-Western Ry. near Elgin); thence via the Chicago, Milwaukee & St. Paul Ry. to Almore, Ill.; thence via the Chicago & North-Western Ry. through Belvidere and Rockford, Ill., to Freeport, Ill.; thence via the Illinois Central R. R. to Portage, Ill.; thence via the Chicago & North-Western Ry. to but not including Council Sumner, Clarion, Fort Dodge, and Lohrville, Iowa, to Carroll, Iowa; thence via the Chicago & North-Western Ry. to but not including Council Bluffs, Iowa; thence north of the main line of the Chicago, Rock Island & Pacific Ry. to a point just north of Davenport, Iowa, Rock Island, and Moline, Ill.; thence just north and east of the Chicago, Burlington & Quincy R. R. (lines east of the Missouri River) east of Moline, Barstow, Rio, Galesburg, Bushnell, and Vermont, Ill. (except points on the Chicago, Burlington & Quincy R. R., Vermont to Canton, Ill., inclusive), to a point just north and east of Roodhouse, Ill.; thence east of the Chicago & Alton R. R. to a point east of White Hall, Ill.; thence east of the Chicago, Burlington & Quincy R. R. (lines east of the Missouri River) to a point east of Alton, Ill.; thence east of the Cleveland, Cincinnati, Chicago & St. Louis Ry. and Illinois Terminal R. R. to a point just east of Edwardsville; thence east of the Toledo, St. Louis & Western Ry. to a point just east of East St. Louis, Ill.; thence north of the Baltimore & Ohio Southwestern R. R. north of Salem and Olney, Ill., Vincennes, Seymour (but not including Rockford, Ind.), and North Vernon, Ind., and east of the Baltimore & Ohio Southwestern R. R. to a point just north and east of Louisville, Ky.; thence north of the Lexington branch of the Louisville & Nashville R. R. via La Grange, Ky., to a point just north and east of Lexington, Ky.; thence via the Louisville & Nashville R. R., through Paris and Cynthiana, including Newport and Dayton, Ky.; thence to and including Cincinnati, Ohio; thence on and west of the Pittsburgh, Cincinnati, Chicago & St. Louis Ry. through Hamilton and Eaton, Ohio, and Richmond, Ind.; thence via the Grand Rapids & Indiana R. R. to Ridgeville, Ind.; thence via the Pittsburg, Cincinnati, Chicago & St. Louis Ry., through Hartford City, Marion, Bunker Hill, Logansport, and La Crosse, Ind., to Kouts, Ind.; thence via the Chicago & Erie R. R. to Hammond, Ind., including Whiting, Ind., on Texas and Mexican business, and Indiana Harbor, Grasselli, and East Chicago, Ind., on Texas business; thence east of the Indiana-Illinois State Line to Lake Michigan; and thence along the shore of Lake Michigan to Chicago, Ill.

NOTE.—The term "Chicago Territory," as used in the Agency Tariffs, is understood to include that portion of Chicago-Cincinnati Territory lying west of the Illinois-Indiana State Line.

#### DAYTON-SOUTH BEND TERRITORY

Beginning at a point just east of Chicago, Ill., and thence along the shore of Lake Michigan to a point just east of the Indiana-Illinois State

Line; thence east of the eastern boundary of Chicago-Cincinnati Territory to but not including Hammond, Ind.; thence east of but not including the Chicago & Erie R. R. to Kouts, Ind., but not including Indiana Harbor, Grasseville, and East Chicago on Texas business, or Whiting, Ind., on Texas or Mexican traffic; thence east of but not including the Pittsburgh, Cincinnati, Chicago & St. Louis Ry., east of LaCrosse, Logansport, Bunker Hill, Marion, and Hartford City to Ridgeville, Ind.; thence via the Grand Rapids & Indiana R. R. to Richmond, Ind.; thence via the Pittsburgh, Cincinnati, Chicago & St. Louis Ry., through Eaton and Hamilton, Ohio, to a point on the Ohio River just east of Cincinnati, Ohio; thence via the Chesapeake & Ohio Ry., from a point just east of Newport, Ky., to and including Portsmouth, Ohio; thence on and west of the following line:

Via the Norfolk & Western Ry., through Waverly to Chillicothe, Ohio; thence via the Cincinnati, Hamilton & Dayton Ry. to Washington, Ohio; thence via the Detroit, Toledo & Ironton R. R. to Springfield, Ohio; thence via the Cleveland, Cincinnati, Chicago & St. Louis Ry., through Urbana and Bellefontaine, to Kenton, Ohio; thence via the Chicago & Erie R. R. to Lima, Ohio; thence via the Pittsburgh, Fort Wayne & Chicago Ry., through Delphos to Van Wert, Ohio; thence via the Cincinnati Northern R. R. to Latty, Ohio; thence via the New York, Chicago & St. Louis R. R. to Fort Wayne, Ind.; thence via the Lake Shore & Michigan Southern Ry. to Auburn Junction, Ind., including Auburn, Ind.; thence via the Baltimore & Ohio R. R. to Avilla, Ind.; thence via the Grand Rapids & Indiana R. R. to Kendallville, Ind.; thence via the Lake Shore & Michigan Southern Ry. to Goshen, Ind.; thence via the Cleveland, Cincinnati, Chicago & St. Louis Ry. through Elkhart and Granger, Ind., to Niles, Mich.; thence via the Michigan Central R. R. to Lake Michigan at New Buffalo, Mich.; and thence via the south shore of Lake Michigan to a point just east of Chicago, Ill.

#### DETROIT-CLEVELAND TERRITORY

That territory beginning at a point just north of New Buffalo, Mich., and thence north and east of the following line: North of the Michigan Central R. R. to a point just north and east of Niles, Mich.; thence north and east of the Cleveland, Cincinnati, Chicago & St. Louis Ry., east of Granger and Elkhart, Ind., to a point just east of Goshen, Ind.; thence via the Lake Shore & Michigan Southern Ry. to a point just north and east of Kendallville, Ind.; thence east of the Grand Rapids & Indiana R. R. to a point just east and north of Avilla, Ind.; thence north of the Baltimore & Ohio R. R. to a point just north and east of Auburn Junction, Ind. (except Auburn, Ind., which is in Dayton-South Bend Territory); thence east of the Lake Shore & Michigan Southern Ry. to a point just north and east of Fort Wayne, Ind.; thence north of the New York, Chicago & St. Louis Ry. to a point just north and east of Latty,

Ohio; thence east of the Cincinnati Northern Ry. to a point just north and east of Van Wert, Ohio; thence north of the Pittsburgh, Ft. Wayne & Chicago Ry., east of Delphos, to a point just north of Lima, Ohio; thence north of the Chicago & Erie R. R. to a point just east and north of Kenton, Ohio; thence east of the Cleveland, Cincinnati, Chicago & St. Louis Ry., east of Bellefontaine and Urbana, Ohio, to a point just east of Springfield, Ohio; thence east of the Ohio Southern R. R. to a point just east of Washington, Ohio; thence east of the Cincinnati, Hamilton & Dayton Ry. to a point east of Chillicothe, Ohio; thence east of the Norfolk & Western Ry., east of Waverly, Ohio, to a point just east of Portsmouth, Ohio; thence on and north of the Chesapeake & Ohio Ry., to and including Ashland, Ky.; thence north of the north bank of the Ohio River to and including Pomeroy, Ohio; thence on and west and south of the following line: From Pomeroy via the Toledo & Ohio Central Ry., through Athens, to New Lexington, Ohio; thence via the Cincinnati & Muskingum Valley R. R. to Zanesville, Ohio; thence via the Wheeling & Lake Erie R. R. to Coshocton, Ohio; thence via the Pittsburgh, Cincinnati, Chicago & St. Louis Ry., through New Comerstown, to Uhrichsville, Ohio; thence via the Cleveland, Lorain & Wheeling Ry. to Canal Dover, Ohio; thence via the Pennsylvania Company to Valley Junction, Ohio; thence via the Baltimore & Ohio R. R. to Canton, Ohio; thence via the Pennsylvania Company, through Alliance and Ravenna, to a junction with the Wheeling & Lake Erie R. R. just north of Earlville, Ohio; thence via the Wheeling & Lake Erie R. R. to Bedford, Ohio; thence via the Pennsylvania Company, through Newburg and Woodland, Ohio, to Cleveland, Ohio, including Collinwood, Ohio; thence via the south and west shores of Lake Erie and the Detroit River to Detroit, Mich.; thence via the west shore of Lake St. Clair and the St. Clair River to Port Huron, Mich.; thence via the line of the Pere Marquette R. R. to and including Vassar; thence north along the line of the Michigan Central R. R., through Reese, to Bay City; thence south on the Michigan Central R. R., Grand Trunk and Pere Marquette R. R. to Saginaw; thence west along the Pere Marquette R. R. to Edmore; thence south to Greenville and Sheridan; thence via the Grand Trunk Ry. to Muskegon, Mich.; and thence via the eastern shore of Lake Michigan to a point just north of New Buffalo, Mich.

#### FOX RIVER TERRITORY

Fox River Territory includes all points north of Milwaukee and Chicago territories (see note under Chicago-Cincinnati description) and on and south of the following lines:

Beginning at Sturgeon Bay, Wis., and thence via the Ahnapee & Western Ry. and the Kewaunee, Green Bay & Western R. R. to Green Bay, Wis.; thence via the Green Bay & Western R. R. to New London, Wis.; thence via the Chicago & North-Western Ry. to Wausau and Marsh-

field, Wis. (including Chicago & North-Western Ry. stations, Antigo, Wis., and south, and Chicago, Milwaukee & St. Paul Ry. stations, Merrill, Wis., and south); thence via the Minneapolis, St. Paul & Sault Ste. Marie Ry. to Chippewa Falls, including Athens, Wis., on the Abbottsford & North-eastern R. R.; thence via the Minneapolis, St. Paul & Sault Ste. Marie Ry. to Stillwater, Minn.; thence via the Chicago, St. Paul, Minneapolis & Omaha Ry., through St. Paul to Minneapolis, Minn.; thence via the Minneapolis & St. Louis R. R., through Chaska to Merriam Junction, Minn.; thence via the Chicago, St. Paul, Minneapolis & Omaha Ry., through St. Peter, Mankato, Prairie Junction, and Sioux Falls Junction, Minn., Sibley, Sheldon, Alton, and LeMars, to Sioux City, Iowa; and thence via the Chicago & North-Western Ry., through Onawa and California Junction, Iowa, to a point just west of Missouri Valley, Iowa.

### KANSAS CITY TERRITORY

Points in Missouri south of the Missouri River on and west of the line of the Missouri Pacific Ry., Boonville to Versailles, Mo., inclusive; thence south along S. W. & S. W. division of the Missouri Pacific Ry. and including Warsaw, Mo.; thence via an imaginary line south of Warsaw, Mo., to and including Clinton, Mo.; thence via the St. Louis & San Francisco R. R. to Lowry City; thence via the Kansas City, Clinton & Springfield Ry. to Osceola; thence via the St. Louis & San Francisco R. R. to Springfield; thence via the St. Louis & San Francisco R. R. (southern division, main line) to the Arkansas State Line; also stations between Kansas City and St. Joseph on the St. Joseph & Grand Island Ry., and between Kansas City and Beverly, Mo., on the Chicago, Burlington & Quincy Ry. (Missouri district) and the Chicago Great Western Ry.; thence from Beverly via the Chicago, Rock Island & Pacific Ry., through Edgerton Junction, to Dearborn, Mo.; thence via the Chicago Great Western Ry. to and including St. Joseph, Mo.; thence on and east of the Chicago, Rock Island & Pacific Ry., through Horton and Holton, Kan., to Topeka, Kan.; thence on and south of the main line of the Union Pacific R. R., through Manhattan, Abilene, and Salina, to and including Ellsworth, Kan.; thence via the St. Louis & San Francisco R. R. to and including Frederic, Kan.; thence east of the First Guide Meridian west, on and east of a line due south, just west of Dacy, Lyons, Sterling, Abbyville, Langdon, Kingman, and Spivy, to Attica, Kan.; and thence via the Atchison, Topeka & Santa Fe Ry. to Kiowa, Kan.

Kansas City rates will also apply between the following points and Texas points:

Points on the St. Louis & San Francisco R. R., Blackwell Extension, including Cale, Middleton, Peckham, and Blackwell, Okla.

Points on the Missouri Pacific Ry. in Oklahoma, Wagoner, Okla., and north.

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Points on the Santa Fe System, viz.: Except as otherwise provided in Texas Tariff Series 26, Series of Agent Leland, Kansas City rates will apply between Texas points on the one hand and Santa Fe System stations in Oklahoma and Denver, Enid & Gulf R. R. on the other, unless the Kansas City through rate is a terminal one.

### KANSAS GROUPS

#### GROUP NO. 1

From points in Kansas east of the "First Guide Meridian west," north and west of the first-named division or territory, west of Omaha-Davenport Territory, and south of the boundary line between Kansas and Nebraska.

#### GROUP NO. 2

From points in Kansas west of the "First Guide Meridian west," east of the 100th Meridian, and south of the boundary line between Kansas and Nebraska.

#### GROUP NO. 3

From points in Kansas west of the 100th Meridian.

### LITTLE ROCK-Ft. SMITH TERRITORY

Commencing at Grant, Okla., on the St. Louis & San Francisco R. R.; thence via that line to and including Poteau, Okla.; thence via the Kansas City Southern Ry. to Westville, Okla. (including points on the St. Louis & San Francisco R. R. west of Westville, Okla., to Muskogee, Okla., inclusive); thence via the Kansas City Southern Ry. to Siloam Springs, Ark.; thence on a direct line to and including Fayette, Ark.; thence via the St. Louis & San Francisco R. R. to Ft. Smith, Ark.; thence via the St. Louis, Iron Mountain & Southern Ry. to Argenta, Ark.; thence via the St. Louis Southwestern Ry., from Little Rock, Ark., via Altheimer, Ark., to Texarkana, Ark., including the Shreveport branch of that line (except Shreveport Junction, Valley Junction, and Bossier City, Ark.); also including the Camden branch of the St. Louis, Iron Mountain & Southern Ry., Camden to Eldorado, Ark., inclusive; thence via the eastern state line of Texas to the Red River; and thence via said river to the place of beginning.

### EXCEPTIONS

#### (a) *A. T. & S. F. Ry.*

Rates named above do not apply in connection with the Atchison, Topeka & Santa Fe Ry.



*(b) Rock Island Lines*

Rates to or from points on the Hot Springs branch, Hot Springs to Cove Creek, Ark., inclusive, are made on combination of locals through Butterfield, Ark.

*(c) Mo. Pac. Ry.*

Rates from points on the Ultima Thule, Arkadelphia & Mississippi Ry. are made sum of locals via Smithton, Ark.

Little Rock-Ft. Smith rates do not apply from points on the Greenwood Branch of the St. Louis, Iron Mountain & Southern Ry.; Memphis rates govern.

Little Rock rates apply to competitive points only on the Missouri, Kansas & Texas Ry., of Texas.

Little Rock-Ft. Smith rates apply from St. Louis, Iron Mountain & Southern Ry. points in Oklahoma, Sallisaw, Okla., and south.

Memphis rates apply in connection with the Missouri, Kansas & Texas Ry. (except to competitive points on the Missouri, Kansas & Texas Ry., of Texas), from Little Rock-Ft. Smith Territory.

Memphis rates apply from points on the St. Louis, Iron Mountain & Southern Ry. located in Little Rock-Ft. Smith Territory to local points on the Galveston, Harrisburg & San Antonio Ry., the Texas & New Orleans R. R., and the Houston & Texas Central R. R.

*(d) St. L. & S. F. R. R.*

Little Rock-Ft. Smith rates apply via the St. Louis & San Francisco R. R. from points on that line *only*.

Memphis rates apply from points on the St. Louis & San Francisco R. R. in Little Rock-Ft. Smith Territory to Texas points on the Galveston, Harrisburg & San Antonio Ry. and the Texas & New Orleans R. R.

Combination of locals through Paris, Tex., applies as maxima from points in Oklahoma, via the St. Louis & San Francisco R. R.

*(e) St. L. & S. W. Ry.*

Little Rock-Ft. Smith rates apply from all points on the St. Louis Southwestern Ry. in Little Rock-Ft. Smith Territory.

Memphis rates apply from points on the St. Louis Southwestern Ry. in Little Rock-Ft. Smith Territory, in connection with the Galveston, Harrisburg & San Antonio Ry., the Texas & New Orleans R. R., and the Houston & Texas Central R. R.

Little Rock-Ft. Smith basis of rates applies between Hope, Ark., and Texas points, in connection with the Louisiana & Arkansas R. R., via Stamps, Ark.

## LOUISVILLE TERRITORY

Beginning at Louisville, Ky., and thence via the Baltimore & Ohio Southwestern R. R. and North Vernon, Ind., to Seymour, Ind.; thence

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north via the Pittsburgh, Cincinnati, Chicago & St. Louis Ry. to and including Rockford, Ind.; thence from Seymour, Ind., via the Baltimore & Ohio Southwestern R. R., to but not including East St. Louis, Ill.; thence via a line just east of the Illinois Central R. R. to but not including DuQuoin, Ill.; thence east of the Illinois Central R. R. to but not including Carbondale, Ill.; thence north and east of the Illinois Central R. R. to a point just north and east of Paducah, Ky.; thence east of the Nashville, Chattanooga & St. Louis Ry. to a point north of the Kentucky-Tennessee state line; thence east, just north of said state line, to a point just north and east of Isham, Tenn.; thence via the Queen & Crescent Route to and including Lexington, Ky., and thence on the Lexington branch of the Louisville & Nashville R. R., Lexington to Louisville, via La Grange, Ky.

### MACON TERRITORY

Macon Territory is the territory east of the eastern boundary line of Nashville Territory (including Columbia, Ala.), on and south of the Georgia state line and the western state line of South Carolina, to but not including any Atlantic Coast point from which Seaboard Territory rates now apply; from the Atlantic Coast along the Georgia-Florida state line to the Apalachicola River.

### MEMPHIS TERRITORY

Memphis class rates apply between points east of the Mississippi River located on and west of the Illinois Central R. R., Memphis, via Grenada, to but not including New Orleans, except that Memphis rates in connection with the Illinois Central R. R. System apply only from stations on the Illinois Central R. R. and the Yazoo & Mississippi Valley R. R. south of Memphis, including all branch-line points, except the Aberdeen branch. Further:

Current southbound Memphis class rates apply on northbound traffic from points in Texas on the Texas & Pacific Ry. to stations on the Yazoo & Mississippi Valley R. R., intermediate between Memphis and New Orleans.

Current southbound Memphis class rates apply on northbound traffic from points in Texas on the Missouri, Kansas & Texas Ry. of Texas to stations on the Yazoo & Mississippi Valley R. R., intermediate between Memphis and New Orleans when routed via the Vicksburg, Shreveport & Pacific Ry. and Vicksburg, Miss.

Current southbound Memphis class rates apply on northbound traffic from points on the Galveston, Harrisburg & San Antonio Ry., the Texas & New Orleans R. R., the Houston & Texas Central R. R., and the Houston, East & West Texas Ry.

## EXCEPTIONS

*(a) Chicago, Rock Island & Pacific Ry.*

## Choctaw District

Stations on the White & Black River Valley Ry. Division, Brinkley, Ark., to Martin, Ark., inclusive.

Memphis rates apply from points on the Chicago, Rock Island & Pacific Ry. (Choctaw District) east of Little Rock, Ark., via the Missouri, Kansas & Texas Ry., to the points in Texas on Missouri, Kansas & Texas Ry. of Texas, San Antonio & Aransas Pass Ry., Texas Midland R. R., Galveston, Harrisburg & San Antonio Ry., Texas & New Orleans R. R., Houston & Texas Central R. R., Ft. Worth & Denver City Ry., Texas Central R. R., Ft. Worth & Rio Grande Ry., Gulf, Colorado & Santa Fe Ry. (Beaumont Line), and Texas Mexican Ry.

Memphis rates apply on potatoes, carloads, from points on the Chicago, Rock Island & Pacific Ry. (Choctaw District), between Memphis, Tenn., and Little Rock, Ark., to Texas points via the Missouri Pacific Ry. and the St. Louis Southwestern Ry.

SPECIAL NOTICE.—Rates to Texas points from stations on the Chicago, Rock Island & Pacific Ry. (Choctaw District), when routed via the St. Louis Southwestern Ry. or the St. Louis, Iron Mountain & Southern Ry. (except potatoes, as provided above), are based on locals through junction points. The rates to and from stations on the Arkansas Midland R. R. are based on the Memphis rates plus the rates between stations on said line and point of junction with the St. Louis, Iron Mountain & Southern Ry. The rates to and from stations on the Searcy & West Point R. R. are based on the Memphis rates plus the rates between stations on said line and Kensett, Ark., on the St. Louis, Iron Mountain & Southern Ry.

*(b) St. Louis, Iron Mountain & Southern Ry.*

## (New Orleans &amp; Northwestern Ry.)

The Missouri Pacific Ry. applies Memphis, Tenn., rates from points as described below :

On classes between Natchez, Miss., and all other points on the New Orleans & Northwestern Ry. on the one hand and points on the Texas & Pacific Ry. and International & Great Northern R. R. on the other hand.

On commodities from Natchez, Miss., and all other stations on the New Orleans Northwestern Ry. to points on the Texas & Pacific Ry. and International & Great Northern R. R.

Above apply via the Houston & Shreveport R. R. to points on the Houston, East & West Texas Ry., including Galveston, via the Galveston, Houston & Henderson R. R.

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### *(c) St. Louis & San Francisco R. R.*

Stations, Memphis, Tenn., to Jonesboro, Ark., inclusive.

### *(d) St. Louis Southwestern Ry.*

Stations, Wabasseca, Ark., and north, to and including Jonesboro, Ark.

Rates on classes and commodities from and to points on the Stuttgart branch are ten cents per 100 pounds, less carloads, and five cents, carloads, higher than the Memphis rates.

### *(e) St. Louis, Iron Mountain & Southern Ry. (Proper)*

Stations on the Main Line north of Argenta, Ark., to and including Bald Knob; also stations on the Memphis branch, Bald Knob to Memphis, inclusive.

Stations on the Endora-Gilbert branch, Indian, Ark., to Calvit, La., inclusive.

Stations on the Helena branch, Wynne, Ark., to Helena, Ark., inclusive.

Stations on the L. R. M. R. & T division east of Pine Bluff to and including Arkansas City, Ark.

Stations on the Ouachita branch, Trippe, Ark., to Warren, Ark., inclusive.

Stations on the H. C. A. & N. division, Paul's Spur to Pineville Junction, La., inclusive.

Stations in Oklahoma on the K. & A. V. division, south of Wagoner, to but not including Sallisaw.

Stations on the M. H. & L. line of the St. Louis, Iron Mountain & Southern Ry. in Arkansas and Louisiana.

NOTE.—St. Louis rates apply from and to points on the Helena branch, Vandale, Ark., and north.

### *(f) Chicago, Rock Island & Pacific Ry.*

#### *(Searcy Branch)*

All stations, Mesa to Searcy, Ark., inclusive.

## MIDDLESBOROUGH TERRITORY

Beginning at a point just east of Jellico, Tenn., and thence south, just east of the Southern Ry., to a point just east of Knoxville, Tenn.; thence via the Southern Ry. to a point just east of Bristol, Tenn., including Elizabethton, Tenn., and points on the Southern Ry. between Morristown and Palut Rock, Tenn., thence north on an air line to a point just south of Cannelton, W. Va.; thence west, just south of the Chesapeake & Ohio Ry., to a point just south of Newport, Ky.; thence south, just east of the Louisville & Nashville R. R., east of Cynthiana and Paris,

Ky., to a point just east of Lexington, Ky.; thence south, just east of the Queen & Crescent Route (Cincinnati, New Orleans, and Texas & Pacific Ry.), to a point just east and north of Isham, Tenn.; and thence north of the Tennessee state line to a point just north of Jellico, Tenn.

#### MILWAUKEE TERRITORY

Milwaukee Territory is that territory defined as north of the northern boundary line of Chicago Territory (see note under Chicago-Cincinnati description) and on and south of the line of Minneapolis, St. Paul & Sault Ste. Marie Ry. from Milwaukee, including Lindworm, Wis. (near Milwaukee, on the Chicago, Milwaukee & St. Paul Ry., and Chicago & North-Western Ry.), through Granville and Rugby Junction, to Duplainville, including Sussex, Merton, and North Lake, Wis.; thence via the Chicago, Milwaukee & St. Paul Ry., through Watertown and Madison, Wis., to North McGregor, Iowa, including Gotham, Prairie du Sac, Richland Center, Sauk City, and Twin Bluffs, Wis., and thence via the Chicago, Milwaukee & St. Paul Ry. to but not including Dubuque, Iowa.

#### NASHVILLE TERRITORY

East of St. Louis Territory and on and west of the Illinois Central R. R., Carbondale, Ill., to Paducah, Ky. (not including Carbondale, Ill., and Joppa, Ill., on Texas traffic); thence via the Nashville, Chattanooga & St. Louis Ry., Paducah to the Tennessee state line; thence via the north Tennessee state line to Jellico, Tenn.; thence on and west of the Southern Ry., through Knoxville, Tenn., to Dalton, Ga.; thence on and south of the Western & Atlantic Ry. to Atlanta, Ga.; thence on and west of the Atlanta & West Point Ry. to West Point, Ga.; thence west of the Chattahoochee (except Columbia, Ala., which takes Macon rates) and Apalachicola rivers to the Gulf; and thence to the eastern line of St. Louis Territory.

#### OMAHA-DAVENPORT TERRITORY

Beginning at a point just north of Roodhouse, Ill., and thence along the Chicago, Burlington & Quincy R. R. (lines east of the Missouri River), through Vermont, (including points on the Chicago, Burlington & Quincy R. R., Vermont to Canton, Ill., inclusive), Galesburg, Rio, and Barstow, to Rock Island and Moline, Ill., and Davenport, Iowa; thence along the main line of the Chicago, Rock Island & Pacific Ry. to Omaha, Neb., including Council Bluffs, Iowa; thence on and via the Chicago & North-Western Ry. (Nebraska and Wyoming Division), through Arlington, Fremont, Platt River, and Linwood; thence south through Brainard, Seward, Exeter, Geneva, and Shickley, to Nora; thence on and via the Chicago, Rock Island & Pacific Ry. to Nelson; thence south via the Chicago, Burlington & Quincy R. R. (lines west of the Missouri River)

to Superior; thence via the Kansas-Nebraska state line to a point just south of Falls City, Neb., on the Missouri Pacific Ry.; thence via the Missouri Pacific Ry. to a point just north of Pierce Junction, Kan.; thence east to the Missouri River to a point opposite St. Joseph, Mo., north of the Chicago, Rock Island & Pacific Ry.; and thence north of St. Louis and Kansas City territories to a point just north of Roodhouse, Ill.

### PITTSBURGH TERRITORY

That territory beginning at Point Edward, Ont., and thence on and south of the Grand Trunk Ry., main line, Sarnia to Niagara Falls, via London, Ont.; thence via the Niagara River, including both banks of said river to Buffalo, N. Y.; thence via the Buffalo, Rochester & Pittsburgh Ry. to Salamanca, N. Y.; thence via the Erie R. R. to Falconer Junction, N. Y.; thence via the Dunkirk, Allegheny Valley & Pittsburgh R. R., to Warren, Pa.; thence via the Western New York & Pennsylvania R. R. to Oil City, Pa.; thence via the Allegheny River to Franklin, Pa.; thence via an imaginary line immediately west of the Allegheny River and east of Glenora, Pa., to Butler, Pa.; thence via the Baltimore & Ohio R. R. to Allegheny, Pa.; thence to Pittsburgh, Pa., and including all Pittsburgh points as follows:

All points on West Pennsylvania Division, Pennsylvania R. R., Allegheny to Erie, Pa., including Butler, Pa., and intermediate points.

Points on main line, Pennsylvania R. R., Pittsburgh to Latrobe, Pa., inclusive.

Points on McKeesport Connecting R. R. (Pennsylvania Co.)

Points on Southwest Division, Pennsylvania R. R., Greensburg to New Stanton, Pa., including points on main line Radebaugh branch.

Points on Monongahela Division, Pennsylvania R. R., Pittsburgh to Belle Vernon, Pa., inclusive.

Points on Turtle Creek Valley R. R.

Points on Allegheny Valley R. R., Pittsburgh to Ford City, Pa.

Points on Baltimore & Ohio R. R., Pittsburgh to West Newton, Pa., inclusive.

Points on Pittsburgh & Lake Erie R. R., Pittsburgh to West Newton, Pa., inclusive, and McKeesport to Belle Vernon, Pa., inclusive.

Thence via the Baltimore & Ohio R. R., through Glenwood and Washington, Pa., to Wheeling, W. Va.; thence south via an air line to Cannelton, W. Va.; thence via the Chesapeake & Ohio R. R. to a point just east of Ashland, Ky.; thence following the south bank of the Ohio River to a point opposite Pomeroy, Ohio; thence north, just east of Pomeroy, Ohio, and the Toledo & Ohio Central Ry., east of Athens, to a point just east of New Lexington, Ohio; thence east of the Cincinnati & Muskingum Valley Ry. to a point just east of Zanesville, Ohio; thence east of the Wheeling & Lake Erie R. R. to a point just east of Coshocton, Ohio; thence east, just south of the Pittsburgh, Cincinnati, Chicago & St. Louis

R. R., south of New Comerstown, to a point just south and east of Uhrichsville, Ohio; thence north, just east of the Cleveland, Lorain & Wheeling Ry. to a point just east of Canal Dover, Ohio; thence east of the Pennsylvania Co. to a point just south and east of Valley Junction, Ohio; thence north, just east of the Cleveland Terminal & Valley R. R., to a point just east of Canton, Ohio; thence east of the Pennsylvania Co., east of Alliance and Ravenna to a point just east of a junction with the Wheeling & Lake Erie R. R. north of Earlville, Ohio; thence east of the Wheeling & Lake Erie R. R. to a point east of Bedford, Ohio; thence east of the Pennsylvania Co., east of Newburgh and Woodland, to a point just north and east of Cleveland, Ohio, but not including Collinwood, Ohio; thence via but not including the south and west shores of Lake Erie and the Detroit River to a point just east of Detroit, Mich.; thence via but not including the west shore of Lake St. Clair and the St. Clair River to and including Point Edward, Ont.

#### RALEIGH TERRITORY

Raleigh Territory includes points north and east of Carolina and Middlesborough territories and south of the Virginia-West Virginia and Virginia-Maryland state lines, except Atlantic Coast cities.

#### ST. LOUIS TERRITORY

Beginning at Cairo, Ill. (including Mound City, Ill., and also including Joppa, Ill., on Texas traffic); thence via the Illinois Central R. R., through DuQuoin and Belleville, to East St. Louis, Ill.; thence along the line of the Toledo, St. Louis & Western R. R., through Glen Carbon, Ill., to Edwardsville, Ill.; thence along the line of the Illinois Terminal R. R. and Cleveland, Cincinnati, Chicago & St. Louis Ry., through Edwardsville Crossing, Ill., to Alton, Ill.; thence along the Chicago, Burlington & Quincy R. R. (lines east of the Missouri River) to Whitehall, Ill.; thence along the Chicago & Alton R. R., through Roodhouse to Louisiana, Mo.; thence along the Chicago, Burlington & Quincy R. R. (Missouri District) to Cameron, Mo.; thence via the Chicago, Rock Island & Pacific Ry., via Altamont, to but not including St. Joseph, Mo.; thence east of the Chicago Great Western Ry. to a point east of Dearborn, Mo.; thence east of the Chicago, Rock Island & Pacific Ry., and east of Edgerton Junction to a point east of Beverly; thence east of the Chicago Great Western Ry. and Chicago, Burlington & Quincy R. R. (Missouri District) to a point opposite Kansas City, Mo. (except points on the St. Joseph & Grand Island Ry. between St. Joseph and Kansas City); thence via the north bank of the Missouri River to a point opposite Boonville, Mo.; thence east of the Missouri Pacific Ry. to a point east of Versailles, Mo.; thence via an imaginary line south of but not including Warsaw, Mo., due west to a point east of Clinton, Mo.; thence east of the St.

Louis & San Francisco R. R. to a point just east of Lowry City, Mo.; thence east of the Kansas City, Clinton & Springfield Ry. to a point just east of Osceola, Mo.; thence east of the St. Louis & San Francisco R. R. to a point just north of Springfield, Mo.; thence north and east of the St. Louis & San Francisco R. R. (southern division, main line) to a point on the Mississippi River just north of Memphis, Tenn., including main line, St. Louis, Iron Mountain & Southern Ry., Lindsay, Ark., to but not including Bald Knob, Ark.; all points in Arkansas on the White River branch of the St. Louis, Iron Mountain & Southern Ry., and the Helena branch of the St. Louis, Iron Mountain & Southern Ry., Vann-dale, Ark., and north; thence south, just east of the Illinois Central R. R., to a point just east of New Orleans, La.; thence via the Gulf Coast to Mobile, Ala.; thence north via the Mobile & Ohio R. R. (main line) to Jackson, Tenn.; and thence via the Illinois Central R. R. to and including Cairo, Ill.

#### APPLICATION OF RATES FROM NASHVILLE, CAROLINA & MACON TERRITORIES

(1) Through rates based on Nashville differentials also apply from points in following territory: Beginning at a point just east of Milan, Tenn., and thence north, just east of the line of the Illinois Central R. R., to a point just east of Carbondale, Ill.; thence south via and including the Paducah branch of the Illinois Central R. R. to Paducah, Ky.; thence via and including the Nashville, Chattanooga & St. Louis Ry. to a point just north of Paris, Tenn.; and thence north of the Louisville & Nashville R. R. to a point just east of Milan, Tenn.

(2) Through rates based on differentials from Nashville, Macon, and Carolina territories apply only from points in their respective territories on the following lines:

Atlanta & West Point R. R., junction points only, including Grantville and Palmetto, Ga.; also on saddlery and horse collars from Fairburn, Ga., and cotton piece goods to Texas points from Hoganville, Ga.

Atlantic Coast Line Railroad Co., Gibson, N. C., Bennetttsville, Camden, Cheraw, Clear Water, Clinton, Clio, Columbia, Darlington, Dillon, Goldville, Hamer, Hartsville, McColl, Marion, Orangeburg, and Prosperity, S. C.; on syrup from local and junction points in Georgia four cents per 100 pounds higher than Macon Territory rates.

Blue Ridge Ry.

Central of Georgia Ry. and Controlled Lines (except East Alabama R. R. and Columbus & Rome R. R.), except on syrup from interior points in Georgia east of Columbus (not including Macon) to Texas points the rate will be four cents per 100 pounds higher than Macon Territory rates.

Charleston & Western Carolina Ry.

Chattanooga Southern R. R.



Columbia, Newberry & Laurens R. R.  
Georgia, Carolina & Northern Ry., in South Carolina and Georgia,  
junction points only.

Georgia R. R., including Gainesville, Jefferson, and Southern & Union  
Point & White Plains branches.

Georgia Southern & Florida Ry.

Illinois Central R. R., east of Fulton, Ky.

\*Louisville & Nashville R. R., junction points (except Prattville,  
Ala., and Bells, Tenn.) only; also on whiskey, in wood in glass, packed  
in cases, any quantity, from Greenbrier, Columbia, and Lynnville, Tenn.,  
Crab Orchard, Gilbert, Haden, Lancaster, and Silver Creek, Ky., and on  
potatoes, carloads, from Columbia, Tenn. On marble from Ball Ground,  
Canton, Nelson, Holly Springs, and Tate, Ga., rates are two and one-half  
cents higher than Macon rates, except that rates on marble and stone  
to Houston and Galveston, Tex., and points taking same rates, rates are  
three and one-half cents per 100 pounds higher than Marietta rates.

Macon & Birmingham Ry.

Mobile & Ohio R. R., points on Montgomery branch, except Pratt-  
ville, Ala.

\*Nashville, Chattanooga & St. Louis Ry., junction points, and Bridge-  
port and Guntersville, only; also on brass castings, plow singletrees,  
and handles, carloads and less carloads, from Sequatchie, Tenn.; on  
buggy bodies and gears from Normandy, Tenn.; on cotton factory  
products, all-woolen jeans, casinetts, linseys, yarns, blankets, plants and  
overalls from Beans Creek, Shelbyville, Flintville, Rock Island, Mc-  
Minnville, and Doyle, Tenn.; on handles from Jasper, Tenn.; on cotton  
rope from Graham, Tenn.; on potatoes, carloads, from Columbia, Tenn.;

\*From points on the Louisville & Nashville R. R. and the Nashville, Chat-  
tanooga & St. Louis Ry. (situated similar to Clarksville, Tenn.), from which  
other transportation is available, i. e., water or other rail lines, through rates  
are made on a differential basis.

Plant System, viz.: Albany, Jessup, Tifton, and Valdosta, Ga., Queen &  
Crescent Route.

St. Louis & San Francisco R. R. (Southern Division, Tupelo and Birmingham  
districts).

Seaboard Air Line, Everett, Ga., also interior Georgia points east of Columbus,  
Ga. (except on syrup to Texas points, the rate is four cents per 100 pounds  
higher than Macon Territory rates).

Southern Ry. (including Augusta Southern R. R.), except on syrup from  
points in Georgia south of Macon to Texas points the rate is four cents per 100  
pounds higher than Macon Territory rates.

Tallassee & Montgomery Ry., Tallassee, Ala.

Western Ry. of Alabama, junction points only, including Grantville and  
Palmetto, Ga.

Western & Atlantic R. R., junction points only.

Through rates from points on lines not specified above, as well as from  
junction points reached solely by the Louisville & Nashville R. R., and Nashville,  
Chattanooga & St. Louis Ry., and points covered by the foregoing exceptions,  
are made on combination of locals.

on wagon material from Doyle, McMinnville, Manchester, Shelbyville, and Tullahoma, Tenn.; on tobacco from Paris, Tenn.; on trees and shrubbery from Jeff, Lily Flagg, Mercury, and Normal, Ala., and Decherd, Dunlap, Estill Springs, Fayetteville, McMinnville, Tullahoma, and Winchester, Tenn.; on buggies, harness, and saddlery from Shelbyville, Tenn., to Texas points, and on articles manufactured at South Pittsburgh, Tenn. (except iron articles); on whiskey, in wood or glass, any quantity, from Normandy, Sparta, and Tullahoma, Tenn., and Vinings, Ga.; also on cotton sheeting from Graham, Tenn., to Texas points.

## POINTS TAKING NEW ORLEANS RATES

Basis applies at stations not named which are situated directly intermediate between two points that are named on the same railroad.

Addis .....	La.	Bienville .....	La.	C. C. Junction <sup>1,3</sup> .....	La.
Adeline .....	La.	Bijou .....	La.	Chacaboula .....	La.
Alexandria .....	La.	Black Hawk .....	La.	Chasmore <sup>1</sup> .....	La.
Algiers .....	La.	Blanchard <sup>3</sup> .....	La.	Chataignier .....	La.
Alma <sup>1,2</sup> .....	La.	Boeuf .....	La.	Chatham .....	La.
Aloha .....	La.	Bon Ami <sup>3</sup> .....	La.	Cheneyville .....	La.
Anchorage (M.L.&T.) ..	La.	Bon Ami Jet <sup>1,3</sup> .....	La.	Chestnut .....	La.
Anchorage .....	La.	Boon .....	La.	Chopin .....	La.
(N. O. T. & M.)		Bordelonville .....	La.	Choudrant .....	La.
Anchorage <sup>1</sup> (T.&P.) ..	La.	Boswell <sup>1,3</sup> .....	La.	Christie <sup>1,3</sup> .....	La.
Angola .....	La.	Boudier .....	La.	Chula .....	La.
Anococo .....	La.	Bowie (M.L.&T.) ..	La.	Church Point.....	La.
Ansley <sup>2</sup> .....	La.	Bowie (T. & P.) <sup>1</sup> ..	La.	Cinclare .....	La.
Arcadia .....	La.	Boyce .....	La.	Clarence .....	La.
Armstead .....	La.	Branch .....	La.	Clays <sup>1,3</sup> .....	La.
Ashland .....	La.	Brimstone <sup>1,3</sup> .....	La.	Colfax .....	La.
Athens .....	La.	Broussard .....	La.	Colgrade .....	La.
Atkins .....	La.	Bullion .....	La.	Convent .....	La.
Atlanta .....	La.	Bundick <sup>1,3</sup> .....	La.	Converse <sup>3</sup> .....	La.
Baldwin .....	La.	Bunkie .....	La.	Cottonport .....	La.
Barnes Creek <sup>3</sup> .....	La.	Burnside .....	La.	Cotton Valley.....	La.
Basile .....	La.	(Ascension Parish)		Coushatta .....	La.
Batchelor .....	La.	Burton .....	La.	Cravens <sup>1</sup> .....	La.
Baton Rouge.....	La.	Caddo City <sup>1,3</sup> .....	La.	Crowley .....	La.
Bayou Goula.....	La.	Cade .....	La.	Cypress (T. & P.) ..	La.
Bayou Sale.....	La.	Calcasien <sup>1,4</sup> .....	La.	Cypress <sup>1</sup> (M.L.&T.) ..	La.
Bayou Sara.....	La.	Calhoun .....	La.		
Belle Alliance.....	La.	Camp Curtis <sup>1,3</sup> .....	La.	Delbi .....	La.
Bennett <sup>1,2</sup> .....	La.	Campti .....	La.	Delta Point .....	La.
Berard .....	La.	Carenacro .....	La.	Denkman .....	La.
Berard, H. ....	La.	Carson <sup>3</sup> .....	La.	De Quincy <sup>3</sup> (K.C.S.) ..	La.
Bernice <sup>2</sup> .....	La.	Caspiana .....	La.	De Quincy.....	La.
Berwick .....	La.	Castor .....	La.	(N. O. T. & M.)	
				DeRidder <sup>3</sup> (K.C.S.) ..	La.

<sup>1</sup> Non-agency station.

<sup>2</sup> Special basis applies on classes between Chicago, Rock Island & Pacific Ry. and Orange & North-Western R. R. points.

<sup>3</sup> Special basis applies on classes at points carrying this reference.

<sup>4</sup> New Orleans basis applies on commodities only, to and from points on the Gulf, Colorado & Santa Fe Ry., only; special class basis at points which carry this reference.

## POINTS TAKING NEW ORLEANS RATES—Continued

Basis applies at stations not named which are situated directly intermediate between two points that are named on the same railroad.

DeRidder <sup>4</sup> .....La.	Fournet .....La.	Hollingsworth <sup>1,2</sup> ....La.
(G. C. & S. F.)	Franklin .....La.	Holly <sup>1,3</sup> .....La.
DeRidder <sup>3</sup> (L.C.&N.) La.	Frierson <sup>3</sup> .....La.	Holly Ridge.....La.
DeRidder <sup>3</sup> .....La.	Fullerton <sup>3</sup> .....La.	Homer .....La.
(S. A. & S. W.)	Fulton <sup>3</sup> (L. C. & N.) La.	Hornbeck <sup>3</sup> .....La.
DeRidder Jet <sup>1,2</sup> .....La.	Fulton .....La.	Howard .....La.
Derry .....La.	(N. O. T. & M.)	Hymers <sup>1,3</sup> .....La.
DeSoto <sup>1,2</sup> .....La.	Fulton <sup>1,3</sup> .....La.	
Des Allemands.....La.	(S. A. & S. W.)	Ikes <sup>4</sup> .....La.
Dido <sup>1,4</sup> .....La.	Gahagan .....La.	Iota .....La.
Dodson <sup>3</sup> .....La.	Garden City.....La.	Iowa .....La.
Donaldsonville .....La.	Gardere .....La.	Irish Bend.....La.
Donner .....La.	Garyville .....La.	Jeanerette .....La.
Doyllne .....La.	Gayles .....La.	Jena .....La.
Dry Prong.....La.	Gaytime <sup>1</sup> (L.C.&N.) La.	Jennings .....La.
Dubach <sup>3</sup> .....La.	Gaytime <sup>1,3</sup> .....La.	Jonesboro <sup>3</sup> .....La.
Dubberly .....La.	(S. A. & S. W.)	(C. R. I. & P.)
Dugdemonia <sup>1,2</sup> .....La.	Geismar .....La.	Jonesboro (T. & G.) La.
	Georgetown .....La.	Jonesboro Jet.....La.
East Point.....La.	Gibbsland .....La.	Juanita <sup>3</sup> .....La.
Edenborn .....La.	Gibson .....La.	
Edgard .....La.	Gillis <sup>1,3</sup> .....La.	Kearney <sup>1,3</sup> .....La.
Edgerly <sup>3</sup> .....La.	Girard .....La.	Kenner .....La.
Egan <sup>5</sup> .....La.	Glenmora .....La.	Kessler .....La.
El Dorado Jet <sup>3</sup> .....La.	Glynn .....La.	Keystone (M.L.&T.) La.
Elizabeth <sup>4</sup> .....La.	Gloster .....La.	Keystone <sup>1</sup> (L. W.) La.
Ellis <sup>1</sup> .....La.	Gold Dust.....La.	Kinder .....La.
Elmore <sup>3</sup> .....La.	Goldonna .....La.	Kingston <sup>1,2</sup> .....La.
Elton .....La.	Good Pine.....La.	Knapp .....La.
Emerson .....Ark.	Grabow <sup>1,4</sup> .....La.	Labadieville .....La.
Eola (M. L. & T.)...La.	Gramercy .....La.	Lafayette .....La.
Eola <sup>1</sup> (T. & P.)...La.	Grand Bayou.....La.	Lafourche .....La.
Eros .....La.	Grand Cane.....La.	Lake Arthur <sup>5</sup> .....La.
Erwinville .....La.	Grand Ecote.....La.	Lake Charles <sup>3</sup> .....La.
Estherwood .....La.	Gretna .....La.	(K. C. S.)
Eunice .....La.	Grosse Tete.....La.	Lake Charles <sup>3</sup> (L.W.) La.
Evergreen .....La.	Gueydan <sup>5</sup> .....La.	Lake Charles <sup>3</sup> .....La.
Everett <sup>3</sup> .....La.	Hagen .....La.	(L. C. & N.)
Experimental Farm <sup>1,2</sup> La.	Hamburg .....La.	Lake Charles.....La.
	Hanna .....La.	(St. L. I. M. & S.)
Fayette <sup>3</sup> .....La.	Harvey's .....La.	Lake Charles <sup>3</sup> .....La.
Fenton .....La.	Harvey .....La.	(S. A. & S. W.)
Ferriday .....La.	Haughton .....La.	Lake End.....La.
Fisher <sup>3</sup> .....La.	Hawthorne <sup>1,2</sup> .....La.	Lamourie .....La.
Fish Pond.....La.	Haynesville .....La.	Lamorie .....La.
Florien <sup>3</sup> .....La.	Herbert <sup>1,4</sup> .....La.	La Place.....La.
Forbing <sup>1,3</sup> .....La.	Hessmer .....La.	Lawtell .....La.
Fordoche .....La.	Hodge <sup>1,3</sup> .....La.	(N. O. T. & M.)
Forest Hill.....La.		

<sup>1</sup> Non-agency station.

<sup>2</sup> Special basis applies on classes between Chicago, Rock Island & Pacific Ry. and Orange & North-Western R. R. points.

<sup>3</sup> Special basis applies on classes at points carrying this reference.

<sup>4</sup> New Orleans basis applies on commodities only, to and from points on the Gulf, Colorado & Santa Fe Ry., only; special class basis at points which carry this reference.

<sup>5</sup> Basis as per Item 105, except on rice.

## POINTS TAKING NEW ORLEANS RATES—Continued

Basis applies at stations not named which are situated directly intermediate between two points that are named on the same railroad.

Lawtell <sup>1</sup> .....La.	Montegut .....La.	Pltkin <sup>4</sup> .....La.
(N. O. T. & M.)	Montgomery .....La.	Plaquemine .....La.
Le Compte.....La.	Mooringsport <sup>2</sup> .....La.	Plattenville .....La.
Ledet, Pauline J. <sup>1</sup> ...La.	Moreauville .....La.	Port Allen .....La.
Leesville Hdq. Spur <sup>1,3</sup> ..La.	Moreland .....La.	Port Barre.....La.
Leesville <sup>3</sup> .....La.	Morgau City.....La.	Port Chalmette.....La.
Leonville .....La.	Morganza .....La.	Port Hudson.....La.
Lettsworth .....La.	Morrows .....La.	Powell <sup>1</sup> (M. L. & T.)..La.
Lewis <sup>3</sup> .....La.	Morville .....La.	(Jefferson Parish)
Lillie <sup>3</sup> .....La.	Mounds .....La.	Powell <sup>1</sup> (V. S. & P.)..La.
Lily Jet <sup>1,3</sup> .....La.	Myrtis <sup>2</sup> .....La.	Powhatan .....La.
Lobdell .....La.		(Ouachita Parish)
Lockport .....La.	Naples .....La.	Provencal .....La.
Lockport Jet <sup>1,3</sup> .....La.	Napoleonville .....La.	Pujo <sup>1,4</sup> .....La.
Longbridge .....La.	Natchez .....La.	Pyburn (T. & G.)....La.
Longville <sup>3</sup> .....La.	Natchitoches .....La.	Pyburn <sup>1,2</sup> .....La.
Loring <sup>3</sup> .....La.	Neale <sup>1,4</sup> .....La.	(C. R. I. & P.)
Lottie .....La.	Neame <sup>2</sup> .....La.	Quebec .....La.
Loula <sup>1,3</sup> .....La.	New Iberia .....La.	Quitman <sup>2</sup> .....La.
Lucas (K. C. S.) <sup>1,3</sup> ..La.	Newlin <sup>1,3</sup> .....La.	Raceland .....La.
Lucas (T. & P.)....La.	New Orleans .....La.	Randolph <sup>2</sup> .....La.
Ludington <sup>2</sup> .....La.	New Roads.....La.	Ratliff .....La.
Lutcher .....La.	Nitram <sup>4</sup> (G.C.&S.F.)..La.	Ravanna <sup>3</sup> .....Ark.
	Nitram (G. & S. R.)..La.	Rayne .....La.
McCall .....La.	Noble <sup>3</sup> .....La.	Rayville .....La.
McCoy's Spur <sup>1,3</sup> .....La.	No. Baton Rouge.....La.	Reaves .....La.
McElroy .....La.	Norton's Spur <sup>1,3</sup> ..La.	Reserve .....La.
McKamie <sup>1</sup> (L. & A.)..La.		Ringgold .....La.
McNell .....Ark.	Oakdale .....La.	Roanoke .....La.
Mab <sup>1,4</sup> .....La.	(St. L. I. M. & S.)	Robeline .....La.
Magnolia .....Ark.	Oakdale <sup>4</sup> .....La.	Roberts <sup>1,4</sup> .....La.
Maloz Bros.....La.	(G. C. & S. F.)	Roehelle .....La.
Mamou .....La.	Oberlin .....La.	Rodessa <sup>3</sup> .....La.
Mansa .....La.	Oil City <sup>3</sup> .....La.	Roger .....La.
Mansfield .....La.	Olivier .....La.	Rose .....La.
(M. R. T. Co.)	Opelousas .....La.	Rosedale <sup>1</sup> (M.L.&T.)..La.
Mansfield <sup>3</sup> (K. C. S.)..La.	Oxford .....La.	Rosedale (T. & P.)....La.
Mansura .....La.		(Iberville Parish)
Many <sup>3</sup> .....La.	Packton .....La.	Rose Pine <sup>3</sup> .....La.
Marlingouin .....La.	Paincourtville .....La.	Rousseau .....La.
Markce <sup>1,4</sup> .....La.	Palmetto .....La.	Ruston (V. S. & P.)..La.
Marksville .....La.	Palmers' Mill <sup>1,2</sup> ..La.	Ruston <sup>2</sup> .....La.
Marthaville .....La.	Patterson .....La.	(C. R. I. & P.)
Melville .....La.	Paulina <sup>1</sup> .....La.	Rustville .....La.
Mermontean .....La.	Pelican .....La.	
Merryville <sup>4</sup> .....La.	Perkins <sup>1,2</sup> .....La.	
Midland .....La.	Pickering <sup>3</sup> .....La.	St. Gabriel.....La.
Millbank .....La.	Pierre .....La.	St. James.....La.
Minden .....La.	Pine Prairie.....La.	St. Landry.....La.
Monroe .....La.	Pineville .....La.	St. Maurice.....La.

<sup>1</sup> Non-agency station.

<sup>2</sup> Special basis applies on classes between Chicago, Rock Island & Pacific Ry. and Orange & North-Western R. R. points.

<sup>3</sup> Special basis applies on classes at points carrying this reference.

<sup>4</sup> New Orleans basis applies on commodities only, to and from points on the Gulf, Colorado & Santa Fe Ry., only; special class basis at points which carry this reference.

<sup>5</sup> Basis as per Item 105, except on rice.

## POINTS TAKING NEW ORLEANS RATES—Continued

Basis applies at stations not named which are situated directly intermediate between two points that are named on the same railroad.

St. Mary <sup>1</sup> (N.I.&N.)..La.	Sulphur .....La.	Vicksburg .....Miss.
(St. Landry Parish)	Sulphur Mine.....La.	Victoria Mills.....La.
St. Mary <sup>1</sup> (Y.&M.V.)..La.	Sunset .....La.	Vienna <sup>1,2</sup> .....La.
Saline .....La.		Vinton <sup>3</sup> .....La.
Sarepta .....La.	Tallullah .....La.	Vivian <sup>3</sup> .....La.
Schriever .....La.	Tama .....La.	
Scott .....La.	Tannehill <sup>1,3</sup> .....La.	Waggaman .....La.
Seale <sup>1,3</sup> .....La.	Taylor .....Ark.	Walla <sup>1,3</sup> .....La.
Shamberger & Son <sup>1,3</sup> .La.	Taylorstown .....La.	Wasey <sup>1,3</sup> .....La.
Shaws .....La.	Thibodaux .....La.	Washington .....La.
Shear <sup>1,4</sup> .....La.	Tillman <sup>1,4</sup> .....La.	Welsh .....La.
Sheehan <sup>1,3</sup> .....La.	Timberton .....La.	Westdale .....La.
Sibley .....La.	Tioga .....La.	West Lake <sup>3</sup> (K.C.S.)..La.
Sikes .....La.	Toomey <sup>1,3</sup> .....La.	West Monroe.....La.
Slmmsport .....La.	Torras .....La.	White Castle.....La.
Slmsboro .....La.	Tremont .....La.	Wilhelm .....La.
Slinger <sup>3</sup> .....La.	Trenton <sup>1,3</sup> .....La.	Willard .....Ark.
Smyth Jct <sup>3</sup> .....La.	Trout .....La.	Winnfield <sup>2</sup> .....La.
Sodus .....La.	Turner <sup>1,3</sup> .....La.	Winona <sup>1,2</sup> .....La.
Sorrell .....La.	Turps <sup>1</sup> (L. C. & N.)..La.	Wirand <sup>1,2</sup> .....La.
Sorrento .....La.	Turps <sup>1,3</sup> .....La.	Woodside .....La.
South Mansfield....La.	(S. A. & S. W.)	Woodworth .....La.
Spear .....La.		Wyatt <sup>2</sup> .....La.
Spring Hill.....La.	Vacherie .....La.	
Stables Spur <sup>3</sup> .....La.	(St. James Parish)	Yellow Pine.....La.
Starks .....La.	Vandercook <sup>1,3</sup> .....La.	
Stovall .....La.	Verda .....La.	Zwolle <sup>3</sup> .....La.

<sup>1</sup> Non-agency station.

<sup>2</sup> Special basis applies on classes between Chicago, Rock Island & Pacific Ry. and Orange & North-Western R. R. points.

<sup>3</sup> Special basis applies on classes at points carrying this reference.

<sup>4</sup> New Orleans basis applies on commodities only, to and from points on the Gulf, Colorado & Santa Fe Ry. only; special class basis at points which carry this reference.

<sup>5</sup> Basis as per Item 105, except on rice.

## POINTS TAKING SHREVEPORT RATES

Basis also applies at stations not named in the following list which are situated directly intermediate between two points that are named on the same railroad.

Ardis <sup>2,3</sup> ..... La.	Gas Center.....La.	LaRosen <sup>1</sup> .....La.
Belcher <sup>2</sup> ..... La.	Gilliam <sup>2</sup> ..... La.	Logansport ..... La.
Billmore <sup>1</sup> ..... La.	Greenwood (Caddo	Longstreet ..... La.
Black Diamond <sup>1,2</sup> ...Ark.	Parish) <sup>2</sup> (T. & P.)..La.	
Boyd <sup>1,2</sup> ..... Ark.	Greenwood (Caddo Par-	Mira <sup>2</sup> ..... La.
Bossier City.....La.	ish) (M.K.&T.Tex.) La.	
Bungalow <sup>1</sup> ..... La.		New Camp <sup>1,2</sup> .....La.
	Hayti <sup>1,2</sup> ..... La.	Nichols <sup>1</sup> ..... La.
Caddo Downs <sup>1</sup> .....La.	Herndon <sup>1,2</sup> ..... La.	
Cash Point <sup>1,2</sup> .....La.	Hosston <sup>2</sup> ..... La.	Oden <sup>1</sup> ..... La.
Cavett <sup>1,2</sup> ..... La.		
Caywood <sup>1</sup> ..... La.	Ida <sup>2</sup> ..... La.	Pickett <sup>1,2</sup> ..... La.
Cedar Grove.....La.	Jewella <sup>1</sup> ..... La.	Preston ..... La.
Combs Spur <sup>1</sup> .....Ark.		Reisor <sup>2</sup> ..... La.
	Keachie ..... La.	Roberts <sup>1,2</sup> ..... Ark.
Dixie (Caddo Parish) <sup>2</sup> La.	Keithville <sup>2</sup> (T. & P.)..La.	
Doddridge <sup>1,2</sup> ..... Ark.	Keithville (H. & S.)..La.	Shreveport ..... La.
	Kiblah <sup>1,2</sup> ..... Ark	
Flournoy ..... La.		Uni <sup>2</sup> ..... La.
Fort Lynn <sup>1,2</sup> .....Ark.	Lake Hayes <sup>1,2</sup> .....La.	
Fouke <sup>2</sup> ..... Ark.	Lane <sup>2</sup> ..... La.	Washburn <sup>1</sup> ..... La.
Franks <sup>1</sup> ..... La.		
Funston <sup>1</sup> ..... La.		

<sup>1</sup> Non-agency station.

<sup>2</sup> Shreveport rates apply on shipments between points taking New Orleans rates bearing this character and points on the Texas & Pacific Railway in Texas, including Denison, Tex., except as otherwise provided to and from Jonesville, Lanark, Scottsville, and Waskom, Tex., Shreveport-Ft. Worth rates apply to and from all other points in Texas taking Texas Common-Point rates.

<sup>3</sup> Do not apply from or to points on the Gulf, Colorado & Santa Fe Railway.

A similar description of the territory embraced in these groups was formerly incorporated in the issues of the Southwestern Tariff Committee, but since the federal regulations relative to tariff construction became effective (1907), the information is contained in the territorial directory of this committee. This issue shows in alphabetical order all of the points located in the defined territories and the group (or territory) to which they are assigned.

## 3. DIFFERENTIALS

As in the case of the adjustment of rates to Missouri River, Colorado, and Utah common points, the rates from adjoining territories to Texas Common Points are made on a differential basis and the differentials used in this structure are shown in Table 7.

TABLE 7  
DIFFERENTIALS FROM DEFINED TERRITORIES

ITEM	TO TEXAS COMMON POINTS FROM	DIFFERENTIALS IN CENTS PER 100 POUNDS										REMARKS
		Classes <sup>1</sup>										
		1	2	3	4	5	A	B	C	D	E	
1	Cincinnati .....	20	16	12	10	7	9	8	7	6	5	Over St. Louis rates
2	Dayton-South Bend .....	32	27	20	16	11	11	10	10	10	10	
3	Detroit-Cleveland .....	40	35	27	19	16	16	14	12	12	11	
4	Pittsburgh .....	50	45	32	23	19	20	16	16	16	15	
5	Nashville .....	6	5	4	3	2	3	2	2	2	1	
6	Louisville .....	11	9	6	5	3	4	3	3	3	2	
7	Macon .....	11	9	6	5	3	4	3	3	3	2	
8	Carolina .....	29	22	17	13	10	11	10	9	9	9	
9	Middlesborough .....	40	35	27	19	16	16	14	12	12	11	
10	Raleigh .....	46	35	27	21	16	18	16	15	15	16	Less than St. Louis rates
11	Little Rock-Ft. Smith .....	23	20	18	13	10	12	10	9	8	8	
12	Memphis .....	10	10	8	7	5	7	5	5	5	5	
13	New Orleans .....	10	10	10	9	6	7	6	6	6	6	
14	Shreveport .....	32	23	20	16	15	14	13	12	12	12	
15	Quincy .....	6	5	5	4	4	5	4	4	4	3	Over St. Louis rates
16	Omaha-Davenport .....	15	12	9	7	4	5	4	4	4	3	
17	Chicago .....	20	16	12	10	7	9	8	7	6	5	
18	Milwaukee .....	20	16	12	10	7	9	8	7	6	5	
19	Fox River .....	40	31	24	20	15	16½	14	12	11	10	
20	Kansas City .....											Same as St. Louis rates
21	Kansas No. 1 .....	10	10	8	8	6	6	5	4	3	3	Over Kansas City rates
22	Kansas No. 2 .....	20	16	12	10	7	9	8	7	6	5	
23	Kansas No. 3 .....	20	16	12	10	7	9	8	7	6	5	
24	Colorado Com. Points <sup>2</sup> .....											
25	Utah Common Points <sup>3</sup> .....	15	9	7	7	7	5	5	6	6	6	

<sup>1</sup> Governed by the Western Classification.

<sup>2</sup> Same rates as from St. Louis, not to exceed Denver-Kansas City rates.

<sup>3</sup> Rates from Utah Common Points will be made the differentials shown less than the rates currently in effect from Utah Common Points to New Orleans.

The differentials given in Table 7, either over or under the base rate as the case may be, represent a relative alignment on the group relation theory based on all competitive conditions.

These differentials do not fluctuate. Any change in the gross rate, i. e., the rate from the point of shipment to destination, occurs in the St. Louis-Texas Common Point rate. The change in the St. Louis-Texas Common Point rate is perpetuated throughout the rate structure by the use of the differentials.

Thus, for example, should the rates on any class rate or commodity rate be advanced five cents from St. Louis to Texas Common Points, the same advance occurs from all other territories from which the rates are made with relation to the St. Louis rates.

The differential basis is always employed where there is an established rate from St. Louis to Texas Common Points. While there is no uniform basis used in arriving at rates from a certain territory, in most instances when a rate is established from a certain territory, such as Dayton-South Bend, either on an arbitrary basis or on a combination of locals through a committee gateway, as for instance New Orleans, rates are established from other defined territories, namely, St. Louis, Kansas City, Chicago, Detroit-Cleveland, Macon, Carolina, Memphis, Little Rock-Ft. Smith, Omaha-Davenport, Quincy, Fox River, Louisville, Raleigh, Middlesborough, and Pittsburgh, by use of the differentials displayed in the foregoing by first establishing the St. Louis-Texas Common Point rate on proper relative basis.



## 4. RATES

In Table 8 are shown some of the rates currently in effect from defined territories to Texas Common Points, while in Table 9 are shown the rates applying from Texas Common Points in the opposite direction. A comparison of these rates will develop the fact that in most instances the same adjustment is applied in both directions, as the rates are the same.

TABLE 8

CLASS RATES FROM POINTS IN TERRITORIES SPECIFIED TO TEXAS  
COMMON POINT TERRITORY

TO TEXAS COMMON POINT TERRITORY FROM	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
St. Louis.....	147	125	104	96	75	79	70	58	46	39
Memphis .....	137	115	96	89	70	72	65	53	41	34
Little Rock-Ft. Smith.....	124	105	86	83	65	67	60	49	38	31
Chicago-Cincinnati and Milwaukee .....	167	141	116	106	82	88	78	65	52	44
Omaha-Davenport (Except Quincy, Ill.).....	162	137	113	103	79	84	74	62	50	42
Quincy .....	153	130	109	100	79	84	74	62	50	42
Fox River .....	187	156	128	116	90	95½	84	70	57	49
Nashville .....	153	130	108	99	77	82	72	60	48	40
Louisville and Macon.....	158	134	110	101	78	83	73	61	49	41
Carolina .....	176	147	121	109	85	90	80	67	55	48
Raleigh .....	193	160	131	117	91	97	86	73	61	53
Middlesborough .....	187	160	131	115	91	95	84	70	58	50
Dayton-South Bend.....	179	152	124	112	86	90	80	68	56	49
Detroit-Cleveland .....	187	160	131	115	91	95	84	70	58	50
Pittsburgh .....	197	170	136	119	94	99	86	74	62	54

<sup>1</sup> Governed by the Western Classification. Southwestern Lines' Tariff, Series No. 1.

TABLE 9

CLASS RATES FROM TEXAS COMMON POINT AND FORT WORTH-  
DALLAS GROUPS TO TERRITORIES SPECIFIED

FROM GROUPS	TO TERRITORIES	RATES IN CENTS PER 100 POUNDS										
		Classes <sup>1</sup>										
		1	2	3	4	5	A	B	C	D	E	
Texas Common Point and Fort Worth- Dallas	St. Louis.....	147	125	104	96	75	79	70	58	46	39	
	Memphis .....	137	115	96	89	70	72	65	53	41	34	
	Little Rock-Ft. Smith..	124	105	86	83	65	67	60	49	38	31	
	Omaha-Davenport ....	162	137	113	103	79	84	74	62	50	42	
	Chicago .....	167	141	116	106	82	88	78	65	52	44	
	Cincinnati .....	167	141	116	106	82	88	78	65	52	44	
	Milwaukee .....	167	141	116	106	82	88	78	65	52	44	
Texas Common Point	Fox River.....	187	156	128	116	90	95½	84	70	57	49	
	Louisville .....	158	134	110	101	78	83	73	61	49	41	
	Kansas City.....	147	125	104	96	75	79	70	58	46	39	
	Kansas Group 1.....	157	135	112	104	81	85	75	62	49	42	
	Kansas Group 2.....											
	Kansas Group 3.....	167	141	116	106	82	88	78	65	52	44	
Fort Worth- Dallas	Kansas City.....	127	111	96	89	70	72	65	53	41	34	
	Kansas Group 1.....	137	121	104	97	76	78	70	57	44	37	
	Kansas Group 2.....											
	Kansas Group 3.....	147	127	108	99	77	81	73	60	47	39	

<sup>1</sup> Governed by the Western Classification, Southwestern Lines' Tariff, Series No. 20.

### 5. EXCEPTIONS TO GENERAL BASIS

There are, however, several exceptions whereby a different basis is established for rates *from* Texas than is used in making rates *to* points in the state. These exceptions are set forth in Table 10.

TABLE 10

CLASS RATES FROM TEXAS TO COLORADO AND UTAH COMMON  
POINTS

FROM	To	RATES IN CENTS PER 100 POUNDS										REMARKS
		Classes <sup>1</sup>										
		1	2	3	4	5	A	B	C	D	E	
Points in Texas Common Point Territory, ex- cept points in Fort Worth- Dallas Group No. 2	Colo. Com. Points											Less than rates cur- rently in effect from New Or- leans, La., to Colorado Common Points
		25	17	15	13	12	11	10	10	10	10	
Points in Fort Worth-Dallas Group No. 2	Colo. Com. Points											Less than rates apply- ing from Texas Com- mon Points
		9	2	0	0	0	3	0	0	0	0	
Points in Texas Common Point Territory, in- cluding points in Fort Worth- Dallas Group No. 2	Utah Com. Points											Less than rates cur- rently in effect from New Or- leans, La., to Utah Common Points
		25	17	15	13	12	11	10	10	10	1	

<sup>1</sup> Governed by the Western Classification.

The Fort Worth-Dallas groups referred to in Table 10 are outlined as follows:

## FORT WORTH-DALLAS GROUP NO. 1

("BURNT DISTRICT")

The "Burnt District," or what is hereafter to be known as "Fort Worth-Dallas Group No. 1," comprises that portion of the State of Texas lying within the following boundary:

Commencing at a point on the Fort Worth & Denver City Ry. just west of Acme and continuing in a southwesterly direction,

via an air line, to a point on the Texas Pacific Ry. just west of Big Springs; thence in a southeasterly direction, via an air line, to a point just south of San Angelo; thence in an easterly direction via a line drawn immediately south of and parallel to the Gulf, Colorado & Santa Fe Ry., to a point just south and west of Brownwood; thence in a southerly direction via a line drawn immediately west of and parallel to the Fort Worth & Rio Grande Ry., to a point just south of Brady; thence in a northerly direction via a line drawn immediately east of and parallel to the Fort Worth & Rio Grande Ry., to a point just south and east of Brownwood; thence in an easterly direction via a line drawn immediately south of and parallel to the Gulf, Colorado & Santa Fe Ry., to a point just south and west of Belton; thence in an easterly direction via a line drawn immediately south of and parallel to the Missouri, Kansas & Texas Ry. of Texas to a point just south and east of Echo; thence in a northerly direction via a line drawn immediately east of and parallel to the Missouri, Kansas & Texas Ry. of Texas to a point just south and east of Waxahachie; thence in an easterly direction via a line drawn immediately south and parallel to the Houston & Texas Central R. R. to a point just south and east of Garrett; thence in a northerly direction via a line drawn immediately east of and parallel to the Houston & Texas Central R. R., to a point just south of Dallas; thence in a southeasterly direction via a line drawn immediately south of and parallel to the Texas & New Orleans R. R., to a point just east of Kaufman; thence in a northerly direction via a line drawn immediately east of and parallel to the Texas Midland and Paris & Great Northern Railroads, via Paris, to a point on the Red River just east of Arthur.

#### FORT WORTH-DALLAS GROUP NO. 2

The territory to be hereafter known as "Ft. Worth-Dallas Group No. 2" comprises that portion of the State of Texas lying east and north of the following boundary:

Commencing at a point on the Fort Worth & Denver City Ry. just west of Texline and continuing in a southerly direction via the New Mexico-Texas State Line to a point on the Pecos &

Northern Texas Ry. just west of Wilsey; thence in a southeasterly direction via an air line to a point on the Texas & Pacific Ry. just west and south of Big Springs; thence in an easterly direction via a line drawn immediately south of and parallel to the Texas & Pacific Ry. via Sweetwater, Abilene, Cisco, Weatherford, Fort Worth, Dallas, Terrell, Mineola, Longview and Marshall, to a point just south and east of Waskom.

The rates currently in effect are those shown in Table 11.

TABLE 11

CLASS RATES FROM TEXAS GROUPS NAMED TO DENVER GROUP  
POINTS

TO DENVER GROUP POINTS FROM	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
Points in Texas Common Point Group .....	189	148	110	84	65	81	62	52	43½	36
Points in Fort Worth-Dallas Group .....	171	146	110	84	65	78	62	52	43½	36
El Paso Group .....	147	125	104	96	75	79	70	58	46	39

<sup>1</sup> Governed by the Western Classification. Southwestern Lines' Tariff, Series No. 6.

These adjustments may seem unscientific but from an economic viewpoint they must be made, as otherwise industry would be crowded into an area too cramped for free movement and away from the source of raw material.

## 6. NORTHBOUND RATES

The bases for rates from Texas to other Northern points<sup>3</sup> are on the same basis as the rates from defined territories to Texas Common Points, except that the differential basis is not applied to points in defined territories in Central Freight Association Territory outside of Chicago-Cincinnati Territory. In other words, the rates from and to defined territories, with the exception just noted, apply between.

<sup>3</sup> See Tables 9 and 12.

TABLE 12

CLASS RATES FROM KANSAS CITY AND KANSAS GROUPS TO TEXAS  
COMMON POINT AND FORT WORTH-DALLAS GROUPS

FROM GROUPS	TO GROUPS	RATES IN CENTS PER 100 POUNDS									
		Classes <sup>1</sup>									
		1	2	3	4	5	A	B	C	D	E
Kansas City	Common Point.....	147	125	104	96	75	79	70	58	46	39
	Dallas-Fort Worth..	127	111	96	89	70	72	65	53	41	34
Kansas Group 1	Common Point.....	157	135	112	104	81	85	75	62	49	42
	Dallas-Fort Worth..	137	121	104	97	76	78	70	57	44	37
Kansas Group 2	Common Point.....	167	141	116	106	82	88	78	65	52	44
	Dallas-Fort Worth..	147	127	108	99	77	81	73	60	47	39
Kansas Group 3	Common Point.....	167	141	116	106	82	88	78	65	52	44
	Dallas-Fort Worth..	147	127	108	99	77	81	73	60	47	39

<sup>1</sup> Governed by the Western Classification. Southwestern Lines' Tariff, Series No. 42.

(a) *Houston and Galveston*

The basis for the construction of rates to common points set forth in the previous pages is also applied, in so far as interior points are concerned, to Houston and Galveston, Tex., except that from New Orleans, La., the rates are made as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	80	68	58	46	38	41	35	31	30	29

The rates from the Shreveport, La., Group to Houston are:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	62	54	50	44	33	34	31	27	24	21

These rates are governed by the Western Classification.

The rates to Galveston are the following differentials higher than the rates to Houston:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials .....	7	6	5	3	3	3	3	2	2	2

These rates are made to meet water competition and will be more fully dealt with in the chapter of this work devoted to rates via water lines.

### 7. TO POINTS IN TEXAS DIFFERENTIAL TERRITORY

The interstate rates to points located in Differential Territory are made in the same manner as are the state rates, namely, by the addition of the differential scale of rates to the common-point base rate. Taking as an illustration the same line as used in connection with the intra-state rates, viz., the Galveston, Harrisburg & San Antonio Railway (Houston, Texas, and west), the rates currently in effect from St. Louis are as shown in Table 13.

TABLE 13

#### ADJUSTMENT OF RATES FROM ST. LOUIS TO POINTS IN TEXAS DIFFERENTIAL TERRITORY

BETWEEN ST. LOUIS, MO., AND	RATES IN CENTS PER 100 POUNDS											REMARKS
	Classes <sup>1</sup>											
	1	2	3	4	5	A	B	C	D	E		
Chaney Jct. to San Antonio	147	125	104	96	75	79	70	58	46	39		
Macdona .....	3	3	3	3	2	2	2	2	2	2		
Lacoste .....	3	3	3	3	2	2	2	2	2	2		
Noonan .....	3	3	3	3	2	2	2	2	2	2		
Dunlay .....	3	3	3	3	2	2	2	2	2	2		
Hondo .....	3	3	3	3	2	2	2	2	2	2		
Seco .....	5	5	5	5	2	3	2	2	2	2		
Uvalde .....	10	10	10	10	5	7	5	5	5	5		
Spofford .....	12	12	14	15	9	10	9	5	5	5		
Feeley .....	22	20	24	26	16	16	15	10	10	10		
Lozier .....	37	30	32	31	21	21	20	15	15	15	Over San Antonio rates	
Feodora .....	37	30	32	31	21	21	20	15	15	15		
Sanderson .....	37	30	32	31	21	21	20	15	15	15		
Strobel .....	37	30	32	31	21	21	20	15	15	15		
Quebec .....	37	30	32	31	21	21	20	15	15	15		
Dahlberg .....	37	30	32	31	21	21	20	15	15	15		
Torcer .....	37	30	32	31	21	21	20	15	15	15		
Fabens .....	37	30	32	31	21	21	20	15	15	15		
El Paso .....	12	13	18	20	11	10	11	5	5	5		

<sup>1</sup> Governed by the Western Classification.

## 8. ALL-RAIL RATES TO TEXAS FROM SEABOARD TERRITORY

Except from points in the state of Virginia and from Atlantic Coast points south of the state of Virginia, rates are made only on a combination of local rates through Cincinnati, Ohio, Jeffersonville, New Albany, and Evansville, Ind., Alton, Cairo, East Cape Girardeau, East Ft. Madison, East Gray's Point, East Hannibal, East St. Louis, Gale, Rock Island, and Thebes, Ill., Chaffee, and Hannibal, Mo., Columbus, Ky., Memphis, Tenn., and New Orleans, La. Except on apples the combination rates are not restricted to the above gateways, and may therefore be constructed on any all-rail combination.



## CHAPTER V

### **RATES VIA WATER CARRIERS**

#### 1. ESTABLISHED LINES

The bulk of traffic from New England and Trunk Line territories to Texas points, as well as that originating in Seaboard Territory, moves by way of the ports of New York and Philadelphia and thence via water to the ports of Galveston, Texas City, and New Orleans, being confined to a great extent to two lines of steamers.

These two lines are the Morgan Line, which is a subsidiary of the Southern Pacific Company, and the Mallory Line, which is closely affiliated with the Santa Fe Railway System. They are known as the established lines.

#### 2. EQUIPMENT

The investment in the equipment of these water lines represents an enormous sum and indicates the desirability of this traffic. The equipment of the Morgan Line, at present, is composed of eight combination passenger and freight steamers and fifteen freight steamers; while at the ports numerous tugs, steam lighters, barges, and car floats are necessary to the conduct of this business.

The fleet of the Morgan Line, at this time, is composed of the following vessels:

		OCEAN STEAMSHIPS	GROSS TONNAGE	LENGTH	HULL
Passenger and Freight .....	Antilles .....	6,878	441' 3"	Steel	
	Breakwater ....	1,065	201' 0"	Iron	
	Chalmette .....	3,205	337' 0"	"	
	Comus .....	4,828	405' 0"	Steel	
	Creole .....	6,754	440' 6"	"	
	Excelsior .....	3,542	330' 0"	Iron	
	Momus .....	6,578	441' 3"	Steel	
	Proteus .....	4,836	405' 0"	"	
	El Alba .....	4,614	405' 0"	Steel	
	El Cid .....	4,608	405' 0"	"	
Freight .....	El Dia .....	4,614	405' 0"	"	
	El Mar .....	3,531	351' 0"	Iron	
	El Monte .....	3,531	351' 0"	"	
	El Mundo .....	6,008	420' 1½"	Steel	
	El Norte .....	4,604	405' 0"	"	
	El Occidente ...	6,008.44	430' 1½"	"	
	El Oriente .....	6,008.44	430' 0"	"	
	El Paso .....	3,531	351' 0"	Iron	
	El Rio .....	4,604	405' 0"	Steel	
	El Siglo .....	4,616	405' 0"	"	
	El Sol .....	6,008	430' 1½"	"	
	El Sud .....	4,572	405' 0"	"	
	El Valle .....	4,605	405' 0"	"	

The Mallory Line has a fleet of twelve vessels, which contrast favorably with those of the Morgan Line.

### 3. SERVICE

The service given by these lines compares very favorably with the best service afforded by the all-rail lines. This is due to the fact that shipments for long distances are handled much more expeditiously via water than via rail, because the numerous junction points, railroad terminals, and clearing yards frequently hamper the prompt movement of freight via rail lines, whereas via the water

carriers the business is handled from port to port; in the case of a shipment moving from New York to Galveston, a distance of over 2,000 miles is covered in from five to seven days.

Upon arrival at the docks, the steamer discharges the cargo into cars placed ready for loading, many of which are loaded solid to destination and may therefore be handled with the utmost dispatch. Indeed, via this route a movement of freight to the Pacific coast in ten days is not uncommon.

The Morgan Line has three sailings weekly, in both directions, between New York and Galveston, with an aggregate minimum weekly service of ten vessels, while the Mallory Line has a semi-weekly service in both directions.

#### 4. COMPETITIVE TERRITORY

In addition to competing with the rail lines for the traffic adjacent to the Mexican Gulf ports, the Morgan and Mallory lines, with their water, rail-and-water, or rail connections, compete for traffic destined to or coming from points in Mississippi, Arkansas, Oklahoma, Missouri, Kansas, Louisiana, Colorado, Utah, New Mexico, Arizona, California, Oregon, Central and South America, Hawaiian Islands, Philippine Islands, China, Japan, and Australia.

They actively compete with the all-water routes to the trans-Pacific countries via the Suez Canal and via the Cape of Good Hope, while to ports on the western coast of the American continent they are in active competition with the water routes via the Isthmus of Tehauntepec and Panama.

## 5. JURISDICTION OF THE INTERSTATE COMMERCE COMMISSION

While on traffic either originating at or destined to points beyond the ports of call of the established lines, the water carriers are subject to the requirements of the Act To Regulate Commerce and are required by the Interstate Commerce Commission to file schedules showing their lawfully established rates between the ports of call, they are exempted from the provisions of the Act. In dealing with this phase, the Act To Regulate Commerce stated as follows:

While restriction and control are essential to the inland carriers of foreign commerce, the ocean carriers of such commerce should remain unrestrained and free. The ocean is a highway free to all. No franchise is needed to sail the seas, nor is the establishment of a line of ships founded, either in law or in economics, upon the theory of a highway-serving monopoly which underlies the relation of the railroad to the state. It may well be, therefore, that without regulation, and the reason of natural competitive conditions, the public will be best served, and in the end treated more equitably, by leaving the water carriers to foreign lands entirely unhampered by legal restrictions, such as the people of this and other lands have found it necessary to impose upon the railroads.<sup>1</sup>

While the above applies in connection with commerce destined to foreign countries, it illustrates in a measure a few of the conditions surrounding the transportation of property by water.

In defining their jurisdiction over water carriers of interstate commerce, the Commission stated as follows:

Interstate commerce wholly by railroad is subject to the Act; wholly by water not subject; partly by water and partly by rail-

<sup>1</sup> *Cosmopolitan Shipping Co. v. Hamburg-American Packet Co.*, 13 I.C.C. 266, 281.

<sup>2</sup> *In re Jurisdiction Over Water Carriers*, 15 I.C.C. 205, 207.

road, under a common control, management, or arrangement for a continuous carriage or shipment, is subject to the Act.<sup>2</sup>

For this reason the port-to-port rate of the water carriers has never been filed with the Interstate Commerce Commission.

## 6. COMPETITION

While the Commission has stated that water transportation between the Atlantic Seaboard and the port of Galveston has never been open to free competition, competition in the past and potential competition at the present time compel the established lines to maintain rates on what is a relatively low basis, considering the distance of the haul and the nature of the service. Further than this, tramp steamers discharging cargoes at any of the ports may be chartered by individuals to take a cargo to another port served by the established lines. Even now it is not unusual for shipments of lumber, rice, molasses, sugar, and vegetables to be forwarded from southern ports via schooners, which crafts afford the cheapest water transportation.

## 7. ALL-WATER RATES

The rates currently in effect from New York to Galveston, from port to port, via the established lines are as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	75	63	55	48	32	36	32	27	26	26

These rates are governed by the Western Classification and include lighterage from points within the lighterage

limits of New York harbor. Some of the representative commodity rates are:

	Rate*
Nails, Staples, Wire (iron or steel), plain, barbed, painted, coppered, tinned or galvanized; Wire Stays and Wire Strand, straight or mixed carloads, minimum weight 36,000 pounds.....	15
Pipe (cast iron), Couplings and Connections, carloads, minimum weight 36,000 pounds.	
Outside Diameter 15 inches and under.....	17
Outside Diameter over 15 inches but not over 17 inches..	22
Outside Diameter over 17 inches and under 20 inches....	24
Poultry Food, carloads, minimum weight 30,000 pounds.....	20
Crockery, Earthenware and Stoneware, carloads, minimum weight 24,000 pounds.....	25
Cotton Piece Goods, straight carloads, minimum weight 20,000 pounds .....	40
Cotton Piece Goods, L.C.L.....	55
Canned Goods, viz:	
Fish, Vegetables, Fruits, Soups, Hominy, Pork and Beans, Oysters (pickled or cove), Sauer Kraut, and Canned Meats, Clam Broth, Clam Juice, Peanut Butter, Preserves, Jams, Jellies, Catsup, Oyster Cocktails, Chili Sauce, in glass, boxed, straight or mixed carloads or in mixed carloads, with same articles in tin, boxed, minimum weight 30,000 pounds.....	

Preserves, in wooden or stone packages; Mince Meat, straight or mixed carloads or in mixed carloads with Preserves, in tin, boxed, or in glass, Jelly and Fruit Butter, carloads, minimum weight 30,000 pounds...	20
Cigars, in cases, corded, sealed and strapped, any quantity..	69

Compare these rates with those applying from Chicago, St. Louis, Milwaukee, and other interior points and observe the disadvantage to which merchants at those points are placed by virtue of the water service available from the seaboard.

\* In cents per 100 pounds.

As was stated in the preceding chapter, from St. Louis and other inland defined territories the Texas Common Point adjustment of rates is applied to Galveston and Houston. The rates from Chicago to the Common Points are \$1.67, first class. This rate, as may be observed, is higher than the all-rail rates to New York plus the water rate from that point to Galveston, which route affords a combination rate of \$1.50.

As low as these port-to-port rates are at present, it has been necessary in the past for the established lines to reduce them to a great extent in order to meet independent line competition, which crops out from time to time. These rates, however, considering the amount of capital invested, the cost of service at the terminals, and the cost of operation upon the high seas, yield the established lines but a fair return upon the investment.

## 8. INTERSTATE RATES

The interstate rates to interior points within the state of Texas from New York and other points in Atlantic Seaboard Territory are made by combining the rates to the port with those established by the Texas Railroad Commission applying from the ports. As will be recalled, the rates to Houston, Tex., from New York, N. Y., are made as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
From New York, N. Y.,										
to Galveston, Tex. . . . .	75	63	55	48	32	36	32	27	26	26
Differentials .....	7	6	5	3	3	3	3	2	2	2
	—	—	—	—	—	—	—	—	—	—
Through rates to										
Houston, Tex. . . . .	82	69	60	51	35	39	35	29	28	28

It may be remarked here that while the rates between the ports are governed by the Western Classification

and those applying within the state of Texas are governed by the Texas Classification, there is no difficulty experienced in harmonizing or combining the two sets of rates, for the number and designation of the class divisions, as well as the ratings accorded most of the articles, correspond in each of these classifications:

*(a) Rates from Interior Seaboard Points*

The preceding section dealt with the construction of rates from New York to Houston. The scale of rates so established is not applied from all Seaboard Territory, but is used as a basis upon which to build the general adjustment that is applied over practically all of Trunk Line Territory.

Taking their New York rates as the basis, the water lines establish rates from interior originating points by adding an agreed scale of differentials to these rates, this scale being:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials .....	15	12	10	9	8	8	8	8	8	8

This would make the rates to Galveston and Houston as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates to Galveston.....	90	75	65	51	40	44	40	35	34	34
Rates to Houston.....	97	81	70	60	43	47	43	37	36	36

Out of the rates so established, the water carriers absorb (or pay) the rail charges up to their docks. The maximum rail rate in this territory is in the neighborhood of 35 cents, *first class*. This allows the water lines



and their rail connections south of New York 40 cents *first class* as their proportion on first-class traffic. By means of this adjustment, however, they are able to attract an immense amount of traffic from interior points to their route. In fact, shippers as far west as Cincinnati and Chicago can at times figure combinations by way of this route which are considerably less than the rates via the shorter and more direct all-rail lines.

*(b) Rates to and from Interior Texas Points*

In Chapter II, in connection with the application of the rates prescribed by the Railroad Commission of Texas in Common Point and Differential territories, the line of the Galveston, Harrisburg & San Antonio Railway was used to make the illustration. Taking the same line of railway and adding the rates from New York and from Seaboard Territory to the rates shown as applying locally from Houston, there will be produced the rates which are currently in effect from New York and from Seaboard Territory to such interior points in the state of Texas.

To illustrate further the effect of this Gulf water competition, take the route northeast from Galveston via the International & Great Northern Railway and via the Texas & Pacific Railway to Texarkana. The more important points on this route are shown in Table 14, in which is given the distance of the points from Houston as well as from St. Louis.

TABLE 14

## RATES FROM NEW YORK TO INTERIOR POINTS

MILES TO HOUSTON	MILES TO ST. LOUIS	FROM NEW YORK TO THE FOLLOW- ING POINTS IN TEXAS	RATES IN CENTS PER 100 POUNDS									
			Classes <sup>1</sup>									
			1	2	3	4	5	A	B	C	D	E
	816	Houston <sup>2</sup> .....										
5	811	Cross Timbers <sup>2</sup> ..	105	85	70	59	46	52	46	38	37	36
13	803	Aldine <sup>2</sup> .....	107	86	72	61	47	53	46	38	37	36
24	792	Spring <sup>2</sup> .....	110	89	74	63	50	56	49	40	38	37
30	786	Tamina <sup>2</sup> .....	113	92	77	66	53	59	52	43	40	38
36	780	Grand Lake <sup>2</sup> ....	115	94	79	68	55	61	54	44	41	39
39	777	Conroe <sup>2</sup> .....	116	95	80	69	56	62	54	44	41	39
47	769	Willis <sup>2</sup> .....	118	97	82	71	57	63	55	45	42	40
52	764	Esperanza <sup>2</sup> .....	120	99	84	73	58	64	56	46	43	41
55	761	New Waverly <sup>2</sup> ....	121	100	85	74	59	65	57	47	44	41
61	755	Kellys <sup>2</sup> .....	123	101	86	75	60	66	58	48	45	42
67	749	Phelps <sup>2</sup> .....	125	103	88	77	61	67	59	49	45	42
71	745	Dodge <sup>2</sup> .....	126	104	89	78	61	67	59	49	45	42
79	737	Riverside <sup>2</sup> .....	129	107	92	81	63	69	61	51	46	43
86	730	Trinity <sup>2</sup> .....	131	109	94	82	64	70	62	52	47	44
95	721	Red Branch <sup>2</sup> ....	134	112	96	84	65	71	63	53	48	45
100	716	Lovelady <sup>2</sup> .....	136	114	98	86	66	72	64	54	48	45
111	705	Cut <sup>2</sup> .....	138	116	100	88	67	73	65	55	49	46
113	703	Crockett <sup>2</sup> .....	140	118	101	90	68	74	66	56	49	46
120	696	Latexo <sup>2</sup> .....	143	120	103	92	70	76	68	58	50	47
126	690	Grapeland <sup>2</sup> .....	144	121	104	93	70	76	68	58	50	47
132½	683½	Salmon <sup>2</sup> .....	146	123	105	94	71	77	69	59	51	48
138½	677½	Elkhart <sup>2</sup> .....	146	123	105	94	71	77	69	59	51	48
143	673	Cronin <sup>2</sup> .....	148	125	107	96	72	78	70	59	51	48
151	665	Palestine <sup>2</sup> .....	150	127	109	98	73	79	71	60	51	48
178	638	Jacksonville <sup>2</sup> ....	155	131	112	101	76	82	74	62	52	48
196	620	Troup <sup>2</sup> .....	162	138	118	107	79	85	77	64	54	49
210	606	Overton <sup>2</sup> .....	164	139	119	108	80	86	78	65	54	49
232	584	Longview <sup>3</sup> .....	169	143	120	109	83	89	79	66	55	49
245	561	Marshall <sup>3</sup> .....	172	145	120	109	84	91	80	67	55	49
271	645	Jefferson <sup>3</sup> .....	172	145	120	109	84	91	80	67	55	49
280	536	Lodi <sup>3</sup> .....	172	145	120	109	84	91	80	67	55	49
285	531	Kildare <sup>3</sup> .....	172	145	120	109	84	91	80	67	55	49
290	526	Bivins <sup>3</sup> .....	172	145	120	109	84	91	80	67	55	49
298	518	Atlanta <sup>3</sup> .....	172	145	120	109	84	91	80	67	55	49
301	515	Queen City <sup>3</sup> .....	172	145	120	109	84	91	80	67	55	49
314	502	Sulphur <sup>3</sup> .....	172	145	120	109	84	91	80	67	55	49
322	494	Texarkana <sup>3</sup> .....										

<sup>1</sup> Governed by the Western Classification.<sup>2</sup> International & Great Northern Railway.<sup>3</sup> Texas & Pacific Railway.

The rates in Table 14 are made by adding to the established Gulf-line rate to Houston the scale of rates authorized by the Railroad Commission of Texas for the distance that the point is from Houston; for example:

Classes .....	1	2	3	4	5	A	B	C	D	E
From New York to										
Galveston .....	75	63	55	48	32	36	32	27	26	26
Houston arbitraries...	7	6	5	3	3	3	3	2	2	2
From Houston to										
Lovelady (100 mi.)	44	41	38	35	26	27	24	21	16	13
	—	—	—	—	—	—	—	—	—	—
Through rates .....	126	110	98	86	61	66	59	50	44	41

A comparison of this scale with that shown in Table 14 indicates that the published rates (through) are ten cents higher on first class, four cents higher on second, five cents higher on fifth, six cents higher on A, five cents higher on B, four cents higher on C, four cents higher on D, and four cents higher on E. This was brought about by the general advance in 1908 and while the rail carriers were ordered to reduce their rates to those previously in effect, the water carriers have perpetuated the 1908 contemplated advance on some of the classes. Accordingly, it may be stated that the present adjustment is based on a scale from New York to Houston of the following figures:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	92	73	60	51	40	45	40	33	32	32

Following this line further from Houston until Common Point Territory is reached (Marshall, Tex.), rates are made by the water lines in the following manner:

Classes .....	1	2	3	4	5	A	B	C	D	E
St. Louis rates.....	147	125	104	96	75	79	70	58	46	40
Differentials .....	25	20	16	13	9	12	10	9	9	9
	—	—	—	—	—	—	—	—	—	—
Through rates from										
New York to Mar-										
shall .....	172	145	120	109	84	91	80	67	55	49

*(c) Rates from Interior Seaboard Territory to  
Interior Texas Points*

The rates from interior points in Seaboard Territory are made by adding the same scale of differentials to the New York rate as was employed in the case of Galveston and Houston, viz.:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials .....	15	12	10	9	8	8	8	8	8	8

In the use of this scale, however, the New York-Texas Common Point scale is not exceeded; for illustration, the rates from Seaboard Territory to Long View are:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	172	145	120	109	84	91	80	67	55	49

In other words, this scale of differentials is added to the New York rates to make rates from Seaboard Territory only when a lower rate is obtained by its use than that applicable to Texas Common Points.

#### 9. TEXAS DIFFERENTIAL TERRITORY

Through rates from New York and Atlantic Seaboard Territory to points in Texas Differential Territory are made by deducting the authorized differentials conceded to the Gulf lines from the St. Louis-Texas Common Point rates and then adding to these rates the differentials prescribed by the Railroad Commission of Texas for the distance involved, combinations through Houston being observed as maxima. A combination of the rates shown in Table 6 with the rates applicable from New York to Houston gives the rates that are currently in effect from New York and Atlantic Seaboard Territory to stations on the Galveston, Harrisburg & San Antonio Railway.

## 10. COMMODITY RATES

Commodity rates from and to Texas are established in the same manner as that employed in connection with the establishment of class rates, viz., the combination of rates authorized by the Railroad Commission of Texas with the rates published by the established lines to the Gulf ports.

While the Railroad Commission of Texas has adequately provided commodity tariffs for practically all of the natural products of the state on southbound traffic, many manufactured and other articles are not provided with commodity rates within the state. In such instances, rates are made by using the commodity rate of the Gulf lines between the ports plus the class arbitrary beyond. The proper class arbitrary to apply is determined by a reference to the classification.

## CHAPTER VI

### RATES TO AND FROM ARKANSAS JUNCTION POINTS

#### 1. INTRASTATE RATES

The rates applying between points within the state of Arkansas, shown in Table 15, were prescribed by the Railroad Commission of Arkansas on or about April 10, 1900. The court ordered all carriers operating within the state to adjust their schedules to conform with this scale. For the most part, this schedule made material reductions in the existing local rates, although in a few instances rates were increased. Notwithstanding this, however, the carriers adopted this schedule without contest, with the exception of a few who reserved their right to contest the authority of the Railroad Commission of Arkansas to prescribe the charges.

What has been previously stated with reference to Texas traffic is, in the main, true in so far as Arkansas is concerned. The characteristics of the traffic, its volume, distribution, and movement resemble closely that to and from the state of Texas, although perhaps the manufacturers' industry is engaged in to a greater extent in the state of Texas than in Arkansas. Thus, the people of the latter state rely to a somewhat greater extent upon the Central West and Middle West for their manufactured products than is the case with regard to the inhabitants of the Lone Star State.

TABLE 15

ARKANSAS DISTANCE SCHEDULE (COURT TARIFF)<sup>1</sup>

DISTANCES	RATES IN CENTS PER 100 POUNDS										
	Classes <sup>2</sup>										
	1	2	3	4	5	A	B	C	D	E	
5 miles and under .....	18	15	13	10	8	9	7	5	5	4	
10 miles and over 5 .....	21	18	15	12	10	10	8	6	5	5	
15 miles and over 10 .....	25	21	18	14	11	12	10	7	6	6	
20 miles and over 15 .....	26	23	19	15	12	13	11	8	7	6	
25 miles and over 20 .....	28	24	20	16	13	14	11	8	7	6	
30 miles and over 25 .....	30	26	21	17	14	14	12	9	8	7	
35 miles and over 30 .....	32	27	23	18	14	15	13	9	8	7	
40 miles and over 35 .....	35	30	25	20	16	17	14	10	9	8	
45 miles and over 40 .....	37	32	26	21	17	18	15	11	9	8	
50 miles and over 45 .....	39	33	28	22	18	19	15	11	10	9	
55 miles and over 50 .....	40	35	29	23	18	20	16	12	10	9	
60 miles and over 55 .....	42	36	30	24	19	20	17	12	11	10	
65 miles and over 60 .....	44	38	31	25	20	21	18	13	11	10	
70 miles and over 65 .....	46	39	33	26	21	22	18	13	12	10	
75 miles and over 70 .....	47	41	34	27	22	23	19	14	12	11	
80 miles and over 75 .....	49	42	35	28	22	24	20	14	13	11	
85 miles and over 80 .....	51	44	36	29	23	25	20	15	13	12	
90 miles and over 85 .....	53	45	38	30	24	26	21	15	14	12	
95 miles and over 90 .....	54	47	39	31	25	26	22	16	14	12	
100 miles and over 95 .....	56	48	40	32	26	27	22	16	14	13	
110 miles and over 100 .....	56	48	42	32	26	27	22	17	14	13	
120 miles and over 110 .....	58	50	44	33	26	28	23	17	15	13	
130 miles and over 120 .....	61	53	46	35	28	30	25	18	16	14	
140 miles and over 130 .....	63	55	48	36	29	31	25	19	16	14	
150 miles and over 140 .....	65	57	50	37	30	31	26	20	17	15	
160 miles and over 150 .....	67	59	52	38	30	32	27	20	17	15	
170 miles and over 160 .....	69	61	54	39	31	33	27	21	18	16	
180 miles and over 170 .....	71	63	55	40	32	34	28	21	18	16	
190 miles and over 180 .....	73	65	56	41	33	35	29	22	18	17	
200 miles and over 190 .....	75	67	57	42	34	36	29	22	19	17	
210 miles and over 200 .....	77	68	58	43	34	37	30	23	19	17	
220 miles and over 210 .....	79	69	58	43	34	37	30	23	20	17	
230 miles and over 220 .....	81	70	59	44	35	37	31	24	20	18	
240 miles and over 230 .....	83	71	59	44	35	37	31	24	21	18	
250 miles and over 240 .....	85	72	60	45	36	38	32	25	21	18	
260 miles and over 250 .....	86	73	60	45	36	38	32	25	22	18	
270 miles and over 260 .....	87	74	61	46	37	39	32	26	22	18	
280 miles and over 270 .....	88	75	61	46	37	39	32	26	23	18	
290 miles and over 280 .....	89	76	62	47	38	40	33	27	23	19	
300 miles and over 290 .....	90	77	62	47	38	40	33	27	24	19	
320 miles and over 300 .....	92	78	63	48	38	41	34	28	24	19	
340 miles and over 320 .....	94	79	64	49	39	42	34	28	24	20	
360 miles and over 340 .....	96	80	65	50	40	43	35	29	24	20	
380 miles and over 360 .....	98	81	66	51	41	43	36	29	25	20	
400 miles and over 380 .....	100	82	67	52	42	44	36	30	25	21	

<sup>1</sup> The ratio of charge per mile decreases as distance increases.<sup>2</sup> Governed by the Western Classification.

## CLASS AND COMMODITY RATES—TWO LINES

(a) Through joint rates for the transportation of shipments over two lines of railroad which are not under the same management and control, and not otherwise provided for, shall be made by adding to the rates prescribed herein, for single line or continuous mileage, the following figures (differentials) :

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials .....	10	8	7	6	5	5	4	4	3	3

## MAXIMUM TWO-LINE RATES

(b) When the sum of the rates prescribed for local application is less than the through joint rate made in accordance with above instructions, such sum of rates shall be used as the joint rate.

(c) The through joint rate for distances 300 miles or less shall not exceed single line rates for 300 miles. The through joint rates for distances greater than 300 miles shall be the single line or continuous mileage rate for the actual distance.

## CLASS RATES—THREE LINES OR MORE

(d) Through joint rates for the transportation of shipments of merchandise by classes, over three or more lines of railroad, which are not under the same management and control, and not otherwise provided for, shall be determined by adding together the charges on the several railroads, or parts of railroads, as prescribed herein for the respective distances such class merchandise is carried over each line, and deducting from the sum 10 per cent. provided, that the through rate thus ascertained shall in no cases exceed the following figures :

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	102	92	79	53	43	45	37	31	27	22

Table 15 provides local as well as joint rates for routes composed of two or more lines. In actual practice, however, the joint routes are sometimes compelled to meet the local rates when the distance via the single line is less than that of the joint route.



In addition to prescribing the class rates, the Commission of Arkansas likewise established a maximum scale of charges for certain commodities. In Table 16 are shown some of these commodities with the rates applicable for selected distances.

TABLE 16  
COMMODITY RATES APPLYING IN ARKANSAS <sup>1</sup>

MILES	Apples & Vegetables		Canned Goods		Corn, Oats, Etc.		Sugar, Rice, Etc.	
	C. L.	L. C. L.	C. L.	L. C. L.	C. L.	L. C. L.	C. L.	L. C. L.
5	5	10	5	10	5	10	8	10
20	8	13	8	13	5	12	9	13
40	10	17	10	18	6	16	10	16
100	16	27	16	28	10	26	14	26
200	22	36	22	36	13	34	20	34
400 and over	30	44	30	52	17	42	29	42

<sup>1</sup> Court Tariff, Circuit Court of the United States.

## 2. INTERSTATE RATES

The plan followed in publishing interstate rates to points within the state of Arkansas strongly resembles the basing-point system used in Southeastern Territory, the junction points throughout the state being singled out and rates published to these points from the various basing centers.

However, the rates are not blanketed over the entire state, as in the case of the Texas Common Point adjustment, but are graded on a mileage basis.

The locations of some of the basing centers, such as Memphis, St. Louis, and Kansas City, and the disparity in the distances have resulted in rates from such points which are made without any fixed relation to each other.

The rates to the more important Arkansas Junction Points are shown in Table 17.

TABLE 17

CLASS RATES FROM ST. LOUIS TERRITORY TO ARKANSAS  
JUNCTION POINTS

FROM ST. LOUIS TERRITORY TO	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
Little Rock .....	100	85	65	49	37	39	32	27	23	18
Pine Bluff .....										
Fort Smith .....	110	95	75	59	44	46	39	34	30	25
Benton .....										
Bauxite .....	111	93	74	54	42	46	38	34	29	23
Blytheville .....	81	68	54	43	32	35	28	24	20	16
Brinkley .....	100	85	65	49	37	39	32	27	23	18
Camden .....	120	107	91	69	51	54	46	38	31	25
Centerville .....	120	105	85	67	50	52	45	40	36	30
Clarendon .....	100	85	65	49	37	39	32	27	23	18
Crossett .....	125	105	89	66	53	54	46	37	31	25
Dardanelle .....	115	100	80	62	48	50	43	38	34	28
El Dorado .....	130	111	93	71	53	56	48	38	32	27
Fordyce .....	115	100	80	62	46	49	41	35	29	24
Forrest City .....	90	71	56	45	34	38	32	27	23	18
Hot Springs .....	135	116	93	71	54	57	45	38	32	25
Hoxie .....	81	68	54	43	32	35	28	24	20	16
Jelks .....	95	80	62	46	35	37	32	27	23	18
Jonesboro .....	81	68	54	43	32	35	28	24	20	16
Lexa .....	95	76	62	48	35	40	33	28	24	19
McNeil .....	125	114	100	83	64	68	54	45	40	32
Malvern .....	116	97	78	56	44	48	40	35	30	24
Mansfield .....	118	103	83	67	49	51	44	39	35	30
Newport .....	91	75	58	48	37	39	32	26	21	17
Paragould .....	81	68	54	43	32	35	28	24	20	16
Parkin .....	90	71	56	44	32	35	31	26	21	18
Petit Jean .....	120	105	85	67	50	52	45	40	36	30
Prosperity .....	120	105	85	67	50	52	45	40	36	30
Searcy .....	96	82	64	49	37	39	32	27	23	18
Stamps .....	127	111	96	86	65	69	55	47	41	34
Warren .....	120	102	86	64	52	54	44	36	30	24
Texarkana .....	127	111	96	86	65	69	55	47	41	34

<sup>1</sup> Governed by the Western Classification.

The St. Louis Southwestern Railway operates from the northeastern to the southwestern extremity of the state. Taking in their order the more important points located on this railway: Paragould, Jonesboro, Brinkley, Pine Bluff, Fordyce, Stamps, and Texarkana (the

last point being located on the Arkansas-Texas state line), a gradual increase in rates is observed.

With respect to the jobbing centers, Memphis is the most advantageously located, as it has the low basis of rates from the northeastern and southeastern states and its location upon the Mississippi River affords the merchants at that point a cheap means of water transportation from such points as Pittsburgh, St. Louis, and New Orleans.

The rates from Memphis to stations in Arkansas are made with reference to the rates established by the Railroad Commission of Arkansas, to which rates are added the bridge tolls assessed by the company controlling the bridge at Memphis, Tenn. Generally speaking, it may be stated that the rates between Memphis, Tenn., and points in Arkansas are certain bridge tolls higher than those for equal distances specified in the Arkansas Commission Schedule, although in a few instances rates are higher and in still others are lower than this combination.

Specific rates to Arkansas Junction Points are published from Cairo Territory, Kansas City Territory, Omaha Territory, New Orleans Territory, and Memphis, Tenn. The last named point, by virtue of its location, has the lowest basis of rates to the Arkansas Junction Points. The rates from these territories, however, are made without relation to each other, and considering the differences in the lengths of the hauls involved, it is hard to see how a relative adjustment could be arrived at.

Memphis, Tenn., by virtue of its location (being adjacent to the state and but forty-five miles distant from the nearest junction point), has rates that are considerably less than those from any of the other territories.

The rates from the various territories to Little Rock

and Pine Bluff illustrate the disparity in the rates from the basing centers and will suffice for the purpose of illustration. These rates, in cents per 100 pounds, are as follows:

Classes	1	2	3	4	5	A	B	C	D	E
From Memphis	70	60	45	36	27	29	22	18	15	12
From Cairo Terri-										
tory	90	75	55	44	32	34	27	23	20	15
From New Orleans										
Territory	100	85	65	49	37	39	32	27	23	18
From Kansas City										
Territory	110	95	74	56	41	44	36	31	27	21
From Omaha Terri-										
tory	130	113	89	69	51	55	46	39	34	28

### 3. RATES TO HOT SPRINGS

The rates to Hot Springs, Ark., which is a branch line junction point, are made by adding the following scale of arbitraries to the rates shown from the above points.

Rates	1	2	3	4	5	A	B	C	D	E
Arbitraries	35	31	28	22	17	18	13	11	9	7

The rates from Kansas City Territory to Hot Springs are:

Classes	1	2	3	4	5	A	B	C	D	E
Rates	145	126	102	78	58	62	49	42	36	28

These rates are in cents per 100 pounds and are governed by the Western Classification.

### 4. RATES FROM DEFINED TERRITORIES

As was the case in the Texas Common Point adjustment, adjoining territories are divided into groups, which in the main are the same as the Texas groupings. The names of these groups and the differentials used to establish through rates therefrom are shown in Table 18.

TABLE 18

DIFFERENTIALS TO BE ADDED TO THE ST. LOUIS RATES TO MAKE  
THROUGH RATES TO ARKANSAS JUNCTION POINTS

TO ARKANSAS JCT. POINTS FROM FOL- LOWING TERRITORIES	DIFFERENTIALS IN CENTS PER 100 POUNDS										REMARKS
	Classes <sup>1</sup>										
	1	2	3	4	5	A	B	C	D	E	
Davenport .....	15	12	9	7	4	5	4	4	4	3	Over St. Louis Rates
Nashville .....	6	5	4	3	2	3	2	2	2	1	
Des Moines .....	25	22	18	14	8	10	8	8	8	6	
Louisville .....	11	9	6	5	3	4	3	3	3	2	
Macon .....	11	9	6	5	3	4	8	7	6	5	
Cincinnati .....	20	16	12	10	7	9	8	7	6	5	
Chicago .....	20	16	12	10	7	9	8	7	6	5	
Milwaukee .....	20	16	12	10	7	9	8	7	6	5	
St. Paul .....	40	31	24	20	15	16½	14	12	11	10	
Estherville .....	50	41	33	27	19	21½	18	16	15	13	
Dayton-South Bend.	32	27	20	16	11	11	10	10	10	10	
Detroit-Cleveland ..	40	35	27	19	16	16	14	12	12	11	
Pittsburgh .....	50	45	32	23	19	20	16	16	16	15	

<sup>1</sup> Governed by the Western Classification.

In many cases these differentials are the same as those applied in connection with Texas traffic.

### 5. RATES FROM SEABOARD TERRITORY

All-rail rates from Atlantic Seaboard Territory (or Trunk Line and New England territories combined, as it is designated via the all-rail lines), are made on the basis of the lowest combination, that is, through St. Louis, Memphis, or the Northern Gateways.

### 6. RATES VIA SOUTH ATLANTIC AND GULF-PORT LINES

On traffic from Atlantic Seaboard Territory via the water carriers through the South Atlantic ports or Mexican Gulf ports, the rail lines concede a differential under the rates established by the rail lines from Boston, New York, Philadelphia, and Baltimore. The current rates applying from these cities to some of the more important Arkansas Junction Points via the Atlantic or Gulf ports are reproduced in Table 19.

TABLE 19

CLASS RATES FROM BALTIMORE, BOSTON, NEW YORK, AND  
PHILADELPHIA VIA ATLANTIC AND GULF PORTS TO  
POINTS IN ARKANSAS

TO THE FOLLOWING POINTS IN ARKANSAS	FROM	RATES IN CENTS PER 100 POUNDS									
		Classes <sup>1</sup>									
		1	2	3	4	5	A	B	C	D	E
Ponton	Baltimore...	137	113	99	76	60	65	57	51	46	41
	Boston.....	148	123	103	79	63	68	60	55	50	47
	New York....	143	119	100	78	61	66	58	53	48	43
	Philadelphia..	139	115	100	77	61	66	58	52	47	42
Camden	Baltimore...	141	123	112	89	67	71	63	54	47	42
	Boston.....	152	133	116	92	70	74	66	58	51	48
	New York....	147	129	113	91	68	72	64	56	49	44
	Philadelphia..	143	125	113	90	68	72	64	55	48	43
Cross-tit	Baltimore...	146	121	110	86	69	71	63	53	47	42
	Boston.....	157	131	114	89	72	74	66	57	51	48
	New York....	152	127	111	88	70	72	64	55	49	44
	Philadelphia..	148	123	111	87	70	72	64	54	48	43
Dardanelle	Baltimore...	156	116	101	82	64	67	60	54	50	45
	Boston.....	147	126	105	85	67	70	63	58	54	51
	New York....	142	122	102	84	65	68	61	56	52	47
	Philadelphia..	138	118	102	83	65	68	61	55	51	46
El Dorado	Baltimore...	151	124	114	91	69	73	65	54	48	44
	Boston.....	162	137	118	94	72	76	68	58	52	50
	New York....	157	133	115	93	70	74	66	56	50	46
	Philadelphia..	153	129	115	92	70	74	66	55	49	45
Fordyce	Baltimore...	136	116	101	82	62	66	58	51	45	41
	Boston.....	147	126	105	85	65	69	61	55	49	47
	New York....	142	122	102	84	63	67	59	53	47	43
	Philadelphia..	138	118	102	83	63	67	59	52	46	42
Fort Smith	Baltimore...	131	111	96	79	60	63	56	50	49	42
	Boston.....	142	121	100	82	63	66	59	54	50	48
	New York....	137	117	97	81	61	64	57	52	48	44
	Philadelphia..	133	113	97	80	61	64	57	51	47	43
Hot Springs	Baltimore...	156	132	114	91	70	74	62	54	48	42
	Boston.....	167	142	118	94	73	77	65	58	52	48
	New York....	162	138	115	93	71	75	63	56	50	44
	Philadelphia..	158	134	115	92	71	75	63	55	49	43

<sup>1</sup> Governed by the Western Classification.

## CHAPTER VII

### RATES TO AND FROM POINTS IN OKLAHOMA

#### 1. INTRASTATE RATES

The conditions that obtain in the adjustment of rates to Arkansas prevail, to a great extent, in the adjustment used in establishing rates from, to, and between points in the state of Oklahoma, except that rates are published to all stations, whether local or junction points.

Likewise, the Corporation Commission of the State of Oklahoma has prescribed a scale of rates on both classes and commodities applicable on traffic moving within the state, these rates being shown in Tables 20 and 21.

TABLE 20  
SINGLE-LINE CLASS RATES

MILES <sup>1</sup>	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>2</sup>									
	1	2	3	4	5	A	B	C	D	E
5	13.0	10.8	9.1	7.0	6.0	5.7	5.0	4.3	3.5	2.5
10	15.0	12.4	10.4	8.2	7.0	6.7	5.7	4.9	4.0	2.9
15	17.0	14.0	11.7	9.4	8.0	7.7	6.4	5.5	4.5	3.3
20	19.0	15.6	13.0	10.6	9.0	8.7	7.1	6.0	5.0	3.7
25	20.5	16.9	14.3	11.5	9.8	9.4	7.7	6.5	5.5	4.0
30	22.0	18.2	15.0	12.4	10.6	10.1	8.3	7.0	6.0	4.3
35	23.5	19.5	16.0	13.3	11.4	10.8	8.9	7.5	6.3	4.6
40	25.0	20.8	17.0	14.2	12.2	11.5	9.5	8.0	6.6	4.9
45	26.5	22.1	18.0	15.1	13.0	12.2	10.1	8.5	6.9	5.2
50	28.0	23.4	19.0	16.0	13.8	12.9	10.7	9.0	7.2	5.5
55	29.5	24.7	20.0	16.9	14.6	13.6	11.3	9.5	7.5	5.8
60	31.0	26.0	21.0	17.8	15.4	14.3	11.9	10.0	7.8	6.1
65	32.5	27.3	22.0	18.7	16.2	15.0	12.5	10.5	8.1	6.4
70	34.0	28.6	23.0	19.6	17.0	15.7	13.1	11.0	8.4	6.7
75	35.5	29.9	24.0	20.5	17.8	16.4	13.7	11.5	8.7	6.9
80	37.0	31.2	25.0	21.4	18.6	17.1	14.3	12.0	9.0	7.1
85	38.5	32.5	26.0	22.3	19.4	17.8	14.9	12.5	9.3	7.3
90	40.0	33.8	27.0	23.2	20.2	18.5	15.5	13.0	9.6	7.5
95	41.5	35.1	28.0	24.1	21.0	19.2	16.1	13.5	9.9	7.7

TABLE 20—Continued  
SINGLE-LINE CLASS RATES

MILES <sup>1</sup>	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>2</sup>									
	1	2	3	4	5	A	B	C	D	E
100	43.0	36.4	29.0	25.0	21.8	19.9	16.7	14.0	10.2	7.9
105	44.5	37.7	30.0	25.9	22.6	20.6	17.3	14.5	10.5	8.1
110	46.0	39.0	31.0	26.8	23.4	21.3	17.9	15.0	10.8	8.3
115	47.0	39.8	32.0	27.4	23.9	21.8	18.3	15.3	11.0	8.5
120	48.0	40.6	32.7	28.0	24.4	22.3	18.7	15.6	11.2	8.7
125	49.0	41.4	33.4	28.6	24.9	22.8	19.1	15.9	11.4	8.9
130	50.0	42.2	34.1	29.2	25.4	23.3	19.5	16.2	11.6	9.1
135	51.0	43.0	34.8	29.8	25.9	23.8	19.9	16.5	11.8	9.3
140	52.0	43.8	35.5	30.4	26.4	24.3	20.3	16.8	12.0	9.5
145	53.0	44.6	36.2	31.0	26.9	24.8	20.7	17.1	12.2	9.7
150	54.0	45.4	36.9	31.6	27.4	25.3	21.1	17.4	12.4	9.9
155	55.0	46.2	37.6	32.2	27.9	25.8	21.5	17.7	12.6	10.1
160	56.0	47.0	38.3	32.8	28.4	26.3	21.9	18.0	12.8	10.3
165	57.0	47.8	39.0	33.4	28.9	26.8	22.3	18.3	13.0	10.5
170	58.0	48.6	39.7	34.0	29.4	27.3	22.7	18.6	13.2	10.7
175	59.0	49.4	40.4	34.6	29.9	27.8	23.1	18.9	13.4	10.9
180	60.0	50.2	41.1	35.2	30.4	28.3	23.5	19.2	13.6	11.1
185	61.0	51.0	41.8	35.8	30.9	28.8	23.9	19.5	13.8	11.3
190	62.0	51.8	42.5	36.4	31.4	29.3	24.3	19.8	14.0	11.5
195	63.0	52.6	43.2	37.0	31.9	29.8	24.7	20.1	14.2	11.7
200	64.0	53.4	43.9	37.6	32.4	30.3	25.1	20.4	14.4	11.9
210	65.5	54.6	44.9	38.4	33.2	31.0	25.7	21.0	14.8	12.2
220	67.0	55.8	45.9	39.2	34.0	31.7	26.3	21.5	15.2	12.5
230	68.5	57.0	46.9	40.0	34.8	32.4	26.9	22.0	15.6	12.8
240	70.0	58.2	47.9	41.8	35.6	33.1	27.5	22.5	16.0	13.1
250	71.5	59.4	48.9	42.6	36.4	33.8	28.1	23.0	16.4	13.4
260	73.0	60.6	49.9	43.4	37.2	34.5	28.7	23.5	16.8	13.7
270	74.5	61.8	50.9	44.2	38.0	35.2	29.3	24.0	17.2	14.0
280	76.0	63.0	51.9	45.0	38.8	35.9	29.9	24.5	17.6	14.3
290	77.5	64.2	52.9	45.8	39.6	36.6	30.5	25.0	18.0	14.6
300	79.0	65.4	53.9	46.6	40.4	37.3	31.1	25.5	18.4	14.9
310	80.0	66.2	54.6	47.2	40.9	37.8	31.5	25.8	18.7	15.1
320	81.0	67.0	55.3	47.8	41.4	38.3	31.9	26.1	19.0	15.3
330	82.0	67.8	56.0	48.4	41.9	38.8	32.3	26.4	19.3	15.5
340	83.0	68.6	56.7	49.0	42.4	39.3	32.7	26.7	19.6	15.7
350	84.0	69.4	57.4	49.6	42.9	39.8	33.1	27.0	19.9	15.9
360	85.0	70.2	58.1	50.2	43.4	40.3	33.5	27.3	20.2	16.1
370	86.0	71.0	58.8	50.8	43.9	40.8	33.9	27.6	20.5	16.3
380	87.0	71.8	59.5	51.4	44.4	41.3	34.3	27.9	20.8	16.5
390	88.0	72.6	60.2	52.0	44.9	41.8	34.7	28.2	21.1	16.7
400	89.0	73.4	60.9	52.6	45.4	42.3	35.1	28.5	21.4	16.9
410	90.0	74.2	61.6	53.2	45.9	42.8	35.5	28.8	21.6	17.1
420	91.0	75.0	62.3	53.8	46.4	43.3	35.9	29.1	21.8	17.3
430	92.0	75.8	63.0	54.4	46.9	43.8	36.3	29.4	22.0	17.5
440	93.0	76.6	63.7	55.0	47.4	44.3	36.7	29.7	22.2	17.7
450 and over	94.0	77.4	64.4	55.6	47.9	44.8	37.1	30.0	22.4	17.9

<sup>1</sup>Where exact distance is not shown, use next greater distance.

<sup>2</sup>Governed by the Western Classification.



TABLE 21  
SINGLE-LINE COMMODITY RATES

MILES <sup>1</sup>	RATES IN CENTS PER 100 POUNDS (EXCEPT AS NOTED)			
	Ice, carloads, minimum weight 30,000 pounds	Broom Corn, carloads, minimum weight 16,000 pounds	Grain Products, less carloads	Horses and Mules, car- loads, in dol- lars and cents per Standard car
5	2.8	6.5	5.0	10.00
10	3.1	8.0	6.0	12.00
15	3.4	9.5	7.0	14.00
20	3.7	10.8	8.0	15.00
25	4.0	12.0	9.0	16.00
30	4.2	13.0	10.0	17.00
35	4.4	14.0	11.0	18.00
40	4.6	15.0	12.0	19.00
45	4.8	16.0	13.0	20.00
50	5.0	17.0	14.0	21.00
55	5.2	17.8	15.0	21.90
60	5.4	18.6	16.0	22.80
65	5.6	19.4	17.0	23.70
70	5.8	20.2	18.0	24.60
75	6.0	21.0	18.8	25.50
80	6.2	21.7	19.6	26.25
85	6.4	22.4	20.4	27.00
90	6.6	23.1	21.2	27.75
95	6.7	23.8	22.0	28.50
100	6.8	24.5	22.8	29.25
105	6.9	25.1	23.4	29.95
110	7.0	25.7	24.0	30.65
115	7.1	26.3	24.6	31.35
120	7.2	26.9	25.2	32.05
125	7.3	27.1	25.8	32.75
130	7.4	27.6	26.4	33.40
135	7.5	28.1	27.0	34.05
140	7.6	28.6	27.6	34.70
145	7.7	29.1	28.2	35.35
150	7.8	29.6	28.8	36.00
155	7.9	30.1	29.3	36.60
160	8.0	30.6	29.8	37.70
165	8.1	31.1	30.3	37.80
170	8.2	31.6	30.8	38.40
175	8.3	32.1	31.3	39.00
180	8.4	32.5	31.8	39.50
185	8.5	32.9	32.3	40.00
190	8.6	33.3	32.8	40.50
195	8.7	33.7	33.3	41.00
200	8.8	34.1	33.8	41.50
210	9.0	34.9	34.6	42.30
220	9.2	35.8	35.4	43.10
230	9.4	36.7	36.2	43.90

TABLE 21—Continued

## SINGLE-LINE COMMODITY RATES

MILES <sup>1</sup>	RATES IN CENTS PER 100 POUNDS (EXCEPT AS NOTED)			
	Ice, carloads, minimum weight 30,000 pounds	Broom Corn, carloads, minimum weight 16,000 pounds	Grain Products, less carloads	Horses and Mules, car- loads, in dol- lars and cents per Standard car
240 .....	9.6	37.6	37.0	44.70
250 .....	9.8	38.5	37.8	45.50
260 .....	10.0	39.2	38.3	46.20
270 .....	10.2	39.9	38.8	46.90
280 .....	10.4	40.6	39.3	47.60
290 .....	10.6	41.3	39.8	48.30
300 .....	10.8	42.0	40.3	49.00
310 .....	11.0	42.6	40.8	49.60
320 .....	11.2	43.2	41.3	50.20
330 .....	11.4	43.8	41.8	50.80
340 .....	11.6	44.4	42.3	51.40
350 .....	11.8	45.0	42.8	52.00
360 .....	12.0	46.0	43.3	52.50
370 .....	12.2	46.5	43.8	53.00
380 .....	12.4	47.0	44.3	53.50
390 .....	12.6	47.5	44.8	54.00
400 .....	12.8	48.0	45.3	54.50
410 .....	13.0	48.4	45.8	55.00
420 .....	13.2	49.2	46.3	55.50
430 .....	13.4	49.6	46.8	56.00
440 .....	13.6	50.0	47.3	56.50
450 and over.....	13.8	50.0	47.8	57.00

<sup>1</sup>Where exact distance is not shown, use next greater distance.

## APPLICATION OF RATES

The rates named in Tables 20 and 21 are for application on shipments moving over one line of railroad or over two or more lines of railroad which are either directly or indirectly under the same management and control. Through joint rates for the transportation of shipments over two or more lines of railroad which are not directly or indirectly under the same management and control, shall be made by adding to the rates named in Items

160 and 165 or reissues thereof, the following arbitrary figures, observing combination of local rates as maximum :

Classes .....	1	2	3	4	5	A	B	C	D	E
A .....	9	8	7	6	5	5	4	4	3	2.5
B .....	14	13	11	10	8	8	6	6	5	5
C .....	18	17	15	14	11	11	8	8	7	7

	Ice	Broom Corn	Grain Products	Horses and Mules
A .....	2.5	5	5	\$ 8.00
B .....	5	8	9	12.00
C .....	7	11	14	16.00

The above named arbitraries are in cents per 100 pounds, except on Horses and Mules, which are quoted in dollars and cents per car, of any length, and apply as follows:

“A”—Over two lines not under the same management and control, either directly or indirectly.

“B”—Over three lines.

“C”—Over four or more lines.

These rates are published by the carriers, through their agents, under protest, the tariff containing them having a provision on the title page reading as follows:

The rates and conditions quoted herein on Classes and Commodities are quoted thereon solely for the purpose of complying with Orders Nos. 382 and 518 of the Corporation Commission of Oklahoma, and under no circumstances will rates named herein apply on Interstate shipments, i. e., on traffic originating at or destined to points outside of the State of Oklahoma, and traffic originating at and destined to points in Oklahoma but moving outside of the State in transit.

On interstate traffic for which rates are made on a mileage basis, the scale established by the carriers is used, although it is somewhat higher than that prescribed by the state commission. However, on traffic moving within the state the state rates must be observed.

## 2. INTERSTATE RATES

In this adjustment, the jobbing centers of the Missouri River, by virtue of their location, have the lowest basis

of rates. The rates from the Kansas City and St. Louis groups to the stations on the St. Louis & San Francisco Railroad from Wyandotte, Okla., to Oklahoma City and to the stations on the Chicago, Rock Island & Pacific Railway from Oklahoma City to Texola, Okla., are shown in Table 22.

TABLE 22

JOINT RATES FROM KANSAS AND ST. LOUIS GROUPS TO  
OKLAHOMA TERRITORY

To	FROM KANSAS CITY GROUP									
	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
Wyandotte, Okla.....	65	56	46½	33	29	32	24	16	15	12
Moray, Okla.....	66	56	46½	33	29	32	24	16	15	12
Ogeechee, Okla.....	66	56	46½	33	29	32	24	16	15	12
Afton, Okla.....	67	56	46½	33	29	32	24	16	15	12
Todd, Okla.....	70	56	50	36	29	32	24	16	15	13
White Oak, Okla....	72	59	51	36	29	32	24	16	15	13
Chelsea, Okla.....	75	63	52	36	29	32	25½	18	16	14
Verdigris, Okla.....	85	70	62	46	36	39	34	25	22½	18
Tulsa, Okla.....	85	71	62	46	36	39	34	25	23	18
Sapulpa, Okla.....	86	72	64	48	42	43	36½	27	23½	20
Davenport, Okla....	95	82	74	62	46	48	39	32	26	23
Warwick, Okla.....	95	82	74	62	46	48	39	32	26	23
Spencer, Okla.....	95	82	74	62	46	48	39	32	26	23
Oklahoma City, Okla.	95	82	74	62	46	48	39	32	26	23
Ft. Reno, Okla.....	95	82	74	64	47	47½	36½	31	24	20
Calumet, Okla.....	105	90	81	75	50	61½	52½	43	33	30
Bickford, Okla.....	105	90	81	75	52	61½	52½	43	33	30
Ferguson, Okla.....	100	88	78	73	52	58	50	41½	32	28½
Bridgeport, Okla....	110	98	87	81	54	66½	49	43	34	28
Indianapolis, Okla...	110	99	89	83	63	67	49	43	34	28
Ralph, Okla.....	116	99	94	83	66	68	55	45	36	31
Elk City, Okla.....	119	103	96	87	70	72	60	49	40	34
Texola, Okla.....	120	107	97	89	70	73	62	50	42	35
Benonine, Tex.....	132	116	100	93	73	75	68	55	43	36

<sup>1</sup>Governed by the Western Classification.

TABLE 22—Continued

To	FROM ST. LOUIS GROUP									
	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
Wyandotte, Okla.....	87	68	57	43	34	37	29	22	19	16
Moray, Okla.....	91	72	61	46	36	39	31	22	20	17
Ogeechee, Okla.....	91	72	61	46	36	39	31	22	20	17
Afton, Okla.....	100	80	69	51	40	43	33	24	22	18
Todd, Okla.....	101	83	73	55	43	45	36	27	24	19
White Oak, Okla....	107	86	74	55	43	45	36	27	24	19
Chelsea, Okla.....	110	90	75	55	43	45	38	29	25	20
Verdigris, Okla.....	115	100	80	65	52	54	44	32	28	24
Tulsa, Okla.....	115	100	80	65	52	54	44	35	31	25
Sapulpa, Okla.....	117	100	82	68	54	56	44	35	31	25
Davenport, Okla....	130	109	97	82	63	65	55	46	39	32
Warwick, Okla.....	130	109	97	82	63	65	55	46	39	32
Spencer, Okla.....	130	109	97	82	63	65	55	46	39	32
Oklahoma City, Okla.	130	109	97	82	63	65	55	46	39	32
Ft. Reno, Okla.....	130	109	97	84	64	65	53	45	37	29
Calumet, Okla.....	130	109	97	90	66	74	65	54	43	34
Bickford, Okla.....	130	109	97	90	68	74	65	54	43	34
Ferguson, Okla.....	130	109	97	87	68	74	63	52	41	33
Bridgeport, Okla....	132	111	98	90	69	74	65	54	43	35
Indianapolis, Okla...	138	116	104	92	72	76	67	56	45	38
Ralph, Okla.....	140	117	104	94	74	78	68	58	46	39
Elk City, Okla.....	140	117	104	96	75	79	70	58	46	39
Texola, Okla.....	140	117	105	96	75	80	70	58	47	40
Benonine, Tex.....	152	130	108	100	78	82	73	60	48	41

<sup>1</sup>Governed by the Western Classification.

Rates from the territory tributary to Kansas City are made on a differential adjustment over the rates established from Kansas City, there being two groups besides the Kansas City Group.

(a) *Kansas City Group*

Some of the more important points in the Kansas City Group are: Kansas City, Mo.; Kansas City, Kan.; St. Joseph, Mo.; Atchison, Leavenworth, Armadale, Topeka, Hutchison, Dodge City, Kiowa, Arkansas City, and Coffeerville, Kan.; Joplin, Springfield, and Sidalia, Mo.

*(b) Omaha Group*

Some of the more important points in the Omaha Group are: Omaha, Neb.; Council Bluffs and Pacific Junction, Iowa; Lincoln, Nebraska City, and Beatrice, Neb.; Hiawatha, Kan.; Ashland and Fremont, Neb.

*(c) Sioux City Group*

Some of the more important points in the Sioux City Group are: Sioux City, Aster, and Arian, Iowa; Bancroft, Neb.; Onawa, Iowa; and Oakland, Neb.

The above grouping shows but a few of the more important points located in each group. The Kansas City rates are applied from practically all points in Kansas on and south of the line of the Missouri Pacific Railway, from Kansas City, Mo., to the Colorado-Kansas state line and from points in the southwestern section of the state of Missouri.

The differential adjustment used in establishing rates from the Omaha and Sioux City groups is as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
Omaha Group .....	20	18	15	12	10	11	9	8	7	6
Sioux City Group.....	40	33	25	20	17	19	16	13	12	11

These differentials are to be added to the Kansas City rates in establishing through rates from these territories.

*(d) Rates from Defined Territories*

Although there are some exceptions, the rates from Memphis are usually made the same as the St. Louis rates, while from the Peoria, Chicago, and Minneapolis-

St. Paul groups rates are made by adding the following differentials to the St. Louis rates:

Classes .....	1	2	3	4	5	A	B	C	D	E
Peoria Group .....	10	10	5	2½	2½	3¾	3¾	2½	2½	2½
Chicago Group .....	20	20	10	5	5	7½	7½	5	5	5
Minneapolis-St. Paul										
Group .....	25	24	13	7	6	9½	8½	6	6½	6

These differentials, as may be observed, follow very closely those used in establishing rates from the Peoria and Chicago groups to Missouri River points.

## CHAPTER VIII

### SUMMARY

The reasonableness of the existing rates to Texas Common Points as well as of those to the Missouri River, Colorado, and Utah common points, has been assailed by various commercial organizations from time to time. The Interstate Commerce Commission has upheld, in general, the structure upon which the adjustment rests, and in this connection the following opinion rendered by that body in the case of the Southwestern Shippers' Traffic Association v. the Atchison, Topeka & Santa Fe Railway Company et al.,<sup>1</sup> dealing with the rates between points in Texas and adjoining states and territories, is especially instructive.

The Southwestern Shippers' Traffic Association is a voluntary association embracing a number of traffic organizations, which represent to a considerable extent various business interests and localities in the states of Texas, Oklahoma, Kansas, and Colorado. The gist of the complaint made by that association in the two above cases in which it stands as complainant is that rates from the Atlantic seaboard through Galveston into this southwestern territory are excessive.

No. 2900 attacks the reasonableness of present class and commodity rates from Galveston to various interior points. The Commission is asked to establish local rates from Galveston to these points and also to put into effect "proportional" rates which are less than local rates and which are to apply to traffic which has reached Galveston by water from the Atlantic seaboard.

In No. 2904 the rates attacked are the joint through rates established by the united action of the steamship and rail lines from Atlantic seaboard territory through Galveston to these southwestern

<sup>1</sup> 24 I. C. C. Rep., 570.



points. The Commission is asked to establish lower reasonable joint rates.

Upon these issues hearings were had at which a great amount of testimony was taken, briefs were filed, and the cases were finally submitted, after oral argument, in November, 1910.

The real gravamen of the complaint in these cases is that the actual cost of handling business from the Atlantic seaboard into this southwestern territory through Galveston is less than by other routes, but that carriers by virtue of their control both of the rail and the steamship lines operating through that port have refused to recognize in their rates this more favorable avenue of transportation. An important question is, therefore, whether the actual cost of transportation by this route is less.

When the Commission came to examine the record as made up by the parties in the cases as submitted, it was found that this record was almost barren of evidence as to the water portion of the service. Since the issue was one which had often been the subject of controversy, and which it was desirable to permanently and intelligently settle if possible, the Commission of its own motion reopened the cases for the purpose of further investigating this branch of the subject. Testimony as to the manner in which this freight was handled by water carriers, the rates under which it had been handled and the cost of the service, so far as that could be given, was taken in the late spring of 1911 at New York and Galveston.

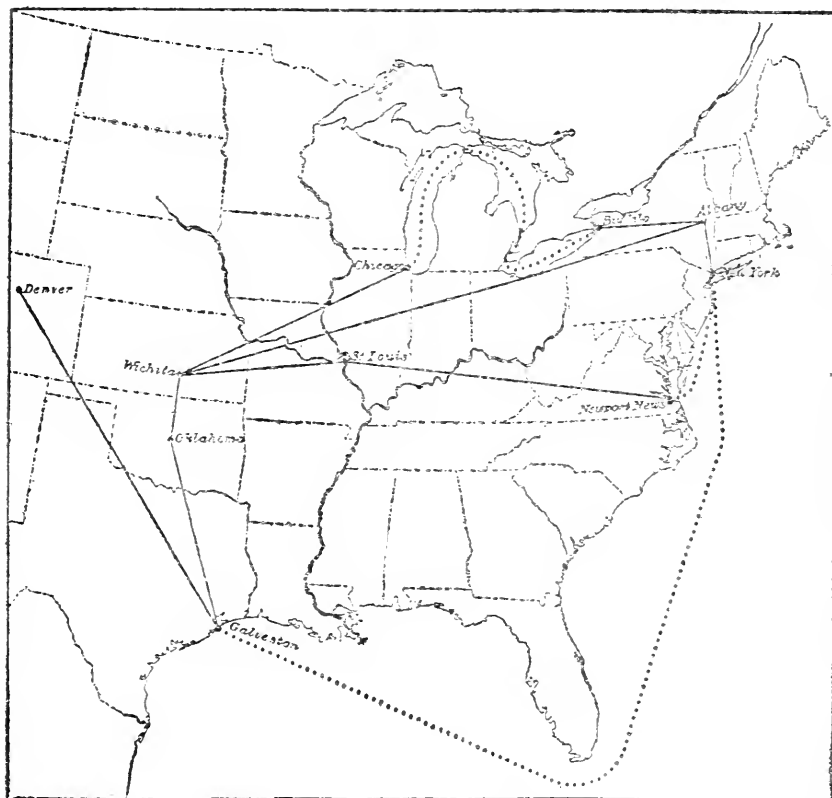
Before the case had been submitted after the taking of this new testimony, the petition in No. 4586 was filed. The complainant in that case represents the city of Denver, and the complaint is directed against the reasonableness of the present class and commodity rates from Galveston to that city. This same question might fairly have been raised under the complaint in No. 2900, but for some reason the city of Denver was not represented upon the hearing in that proceeding.

The Denver Consumers & Shippers' Association also filed a petition for leave to intervene in No. 2904, that being the proceeding which involves through rates from the Atlantic seaboard to various interior points of which Denver now asks to be considered as one. Since it was plainly in the public interest that this whole matter should be disposed of at one time, this petition for leave to intervene was granted.

Upon the filing of the complaint in No. 4586, and the petition of intervention No. 2904, certain lines leading from the Missouri River to Denver asked to intervene in both these cases for the reason that, while they did not participate in the movement of traffic from Galveston to Denver, they did handle business originating upon the

Atlantic seaboard to Colorado common points, and their assertion was that the rates under which this traffic moved over their lines were so intimately connected with the rates through Galveston to the same destination points, that any change in the Galveston rate must of necessity work a corresponding change in their rates. Upon this statement, these lines, of which the Union Pacific is an example were permitted to intervene.

No. 4586 and 2904 were now set down for further hearing at Denver, where another volume of testimony was taken. Additional



briefs were filed and the case was again orally argued before the full Commission.

While, as will be seen from the foregoing statement, the matters involved are of great importance in the estimation of the parties, and while an enormous record has accumulated, the issues are nevertheless comparatively simple. They can be best understood by reference to the accompanying map.

Atlantic seaboard territory, as defined in the tariffs of the defendants, depends somewhat upon the point of destination. The term, as

used in the schedules under consideration, embraces, roughly speaking, New England, New York, New Jersey, Delaware, Maryland, all of Pennsylvania except the western border, a large portion of West Virginia, and Virginia north of the line of the Norfolk & Western Railway. The same rate applies as a blanket from all this territory to the southwestern points under consideration. Traffic originating in this territory may be transported to these points by one of four general routes. For the purpose of clearly indicating these different routes an interior point, like Albany, N. Y., may be selected upon the east and Wichita, Kans., upon the west. Between these points the following routes are available:

1. The traffic may move all-rail. The line of movement is indicated upon the map by a straight line drawn from Albany to Wichita, and the actual movement by rail would be almost as direct as this line.

2. The traffic may move by rail from Albany to Buffalo, at the head of Lake Erie, thence by the great lakes to Chicago, and thence by rail to Wichita. The route from Albany to Buffalo, and again from Chicago to Wichita, is nearly a straight line. The water route is circuitous.

3. The third route is from Albany to New York by rail, thence by water to Norfolk, and thence by rail to Wichita. Here again the rail movement from Norfolk to Wichita is in a comparatively direct line and is indicated upon the map by a straight line.

This traffic might move by water to some other south Atlantic port like Charleston or Savannah, and from thence by rail. The rail movement, instead of being through St. Louis, might be and often is through some lower Mississippi River crossing like Memphis.

4. The last route is by rail to New York, from New York to Galveston by water, and from Galveston to Wichita by rail.

The railroads in this country were for the most part constructed from the Atlantic seaboard west. The first lines into the southwest were built from the various Mississippi River and Missouri River crossings in a westerly direction.

The lines via the great lakes and via the south Atlantic ports have been long in operation. The old lines, therefore, are 1, 2, and 3 as above described and are usually termed the east and west lines.

The line via New Orleans to a certain part of this territory is a comparatively old one; that via Galveston was the latest to be developed. Within comparatively recent years the United States government has expended large sums of money upon the port of Galveston, and that port by reason of its location and the shipping facilities which the improvement of its harbor has given it, has

become an important one. In the year 1911 it took rank in the value of its exports second only to New York.

The lines of railroad leading from Galveston north into this southwestern territory have also been much strengthened in recent years. Their physical condition has been improved, the density of their traffic has increased, and they have come to rank among the substantial railroads of the country.

In view of the transportation facilities which now exist both by water and by rail, the complainants earnestly insist that the route via Galveston into this southwestern territory is now the cheapest, but that the east and west lines by securing control of the rail lines leading north from Galveston, and by controlling either directly or indirectly the water lines from New York to Galveston, have prevented the natural movement of traffic via this route by maintaining unjust and unreasonable rates.

It was pointed out by the defendants, and is undoubtedly true, that there has always been, and must continue to be, a relation in the rates by different lines from Atlantic seaboard territory into this southwestern country, so that any marked reduction of the transportation charge by one route must be met by a corresponding reduction via all other routes if they continue in the business.

It was further pointed out that most of the articles consumed in this southwestern territory are manufactured both in the middle west and upon the Atlantic seaboard, and that any reduction in rates from the Atlantic seaboard into this territory would inevitably be followed by demands from the middle west for a similar reduction. Past experience shows that a reduction from the Atlantic seaboard has been followed by a corresponding reduction from St. Louis and similar territory and vice versa. The commercial interests of St. Louis and Chicago have intervened in these proceedings and insist that whatever reduction is made from the Atlantic seaboard shall be met from those cities.

It can not be doubted, therefore, that a material reduction in these rates from producing points in the east to consuming points in the southwest would lead to widespread reductions and involve a very material loss of revenue to a great number of carriers.

While, however, the fact that a reduction of the rate through Galveston must lead to other extensive reductions is a reason why this Commission should proceed with great caution, it is no conclusive reason against the granting of the prayer of these complainants. This territory is entitled to reasonable rates of transportation. One market of supply is the Atlantic seaboard, and one avenue of carriage from that market is through the port of Galveston. If the rates

imposed via that route by these defendant carriers are unreasonable it is our plain duty to reduce them, irrespective of the consequences to other routes or other markets.

We have, therefore, for determination this single question, Are rates from the Atlantic seaboard into this southwestern territory reasonable *per se*? And this as presented by the complainants divides itself into two other questions:

1. Are the rail rates from the port of Galveston to interior destinations reasonable?

2. Are the combined rail-and-water rates from Atlantic seaboard points to southwestern destinations reasonable?

Many points of destination are involved throughout this southwestern territory, but in answering these questions Denver, Wichita, and Oklahoma City may be selected as fairly representative.

Both class and commodity rates are involved, but in the presentation of the case reference has been made almost exclusively to the classes, and these rates only will be referred to in this discussion.

We proceed, therefore, to inquire whether class rates now in effect from Galveston to these selected points are reasonable, beginning with Denver.

The present class rates from Galveston to Denver are as follows:

Class....	1	2	3	4	5	A	B	C	D	E
Rate....	180	148	110	84	65	81	62	52	43.5	36

In 1909 the Commission, after elaborate investigation and careful consideration, established a scale of class rates from Chicago to Denver. The Denver rate applies in all these cases to Colorado common points, and distances to these various points differ somewhat. The average distance from Galveston would be approximately 1,100 miles, and the average distance from Chicago substantially the same. The conditions of transportation from Chicago to Colorado common points are somewhat more favorable and might well justify a somewhat lower rate than from Galveston. The rates established from Chicago were as follows: *Kindel v. N. Y., N. H. & H. R. R.*, 15 I. C. C., 555.

Class....	1	2	3	4	5	A	B	C	D	E
Rate....	180	145	110	85	67	80.5	63	54	47	40

In 1910 this Commission, again after very careful consideration, established a scale of class rates from Missouri River to Utah common points. *Commercial Club of Salt Lake City v. A., T. & S. F. Ry. Co.*, 19 I. C. C., 218.

The distance from the Missouri River to Utah points is approximately the same as from Galveston to Denver. The conditions of

transportation are approximately the same. The rates established were as follows:

Class....	1	2	3	4	5	A	B	C	D	E
Rate....	190	162	142	119	98	98	77	70	50	42

From a comparison of the above three schedules it will be seen that the present rates from Galveston to Denver are slightly lower than those fixed from Chicago to Denver and materially lower than those established from the Missouri River to Salt Lake City. These cases are all of recent date and were all deliberately decided. Unless we are prepared to reverse those decisions and to put in effect materially lower schedules than were then found reasonable, it is evident that the contention of the complainants that the present class rates from Galveston to Denver are unreasonable can not be sustained, and it is not.

The present class rates from Galveston to Wichita are as follows:

Class....	1	2	3	4	5	A	B	C	D	E
Rate....	147	125	104	96	75	79	70	58	46	39

In 1908 class rates from St. Louis to Texas common points were materially advanced and this advance was attacked by complaint of the railroad commission of Texas in the interest of that state. After a most exhaustive investigation the Commission finally, in February, 1911, established the following schedule. *Railroad Commission of Texas v. A., T. & S. F. Ry. Co.*, 20 I. C. C., 463.

Class....	1	2	3	4	5	A	B	C	D	E
Rate....	147	125	104	96	75	79	70	58	46	39

This scale applies from St. Louis to Texas common points, and therefore covers distances which vary greatly in length. In the trial of that case much was said as to the average haul. While the parties did not agree, it fairly appears that the average haul to which this schedule applies would be not far from 800 miles. From Galveston to Wichita the distance is 700 miles, and the conditions of transportation are substantially identical. If, therefore, we are to adhere to our decision in that case, it must be found that the present rates from Galveston are somewhat in excess of what would be just and reasonable. We are of the opinion that the following rates would be reasonable and that the present rates are unreasonable to the extent that they exceed this schedule:

Class....	1	2	3	4	5	A	B	C	D	E
Rate....	132	112	94	86	68	71	63	52	41	35

The distance from Galveston to Oklahoma City by the short line is about 550 miles; to Wichita, as just stated, 700 miles. The class rates now in effect from Galveston to Oklahoma City are as follows:

Class....	1	2	3	4	5	A	B	C	D	E
Rate....	133	115	98	89	70	75	65	53	42	35

Using as the measure of a reasonable rate to Oklahoma City the schedule which we have just found reasonable to Wichita, we are of the opinion that the present class rates from Galveston to Oklahoma City are unreasonable, and that such rates for the future should not exceed the following:

Class....	1	2	3	4	5	A	B	C	D	E
Rate....	112	96	80	73	57	60	54	44	35	30

The thing for which the complainants are contending is a lower transportation charge from the Atlantic seaboard to these points of consumption. The reductions suggested to Wichita and Oklahoma City will for this purpose be of no avail to Wichita and of but little, if any, benefit to Oklahoma City. This traffic comes by water to Galveston and pays a port-to-port rate, which is not under the jurisdiction of this Commission. From Galveston it moves upon the local rate to the interior point. Now, when the local rates which we have found reasonable are combined with the port-to-port water rates which have been in effect for any considerable time in the past, the resulting rates are higher than the joint through rates which are now in effect.

The complainants realize that this must be so, and they therefore ask us to treat the haul on this business from Galveston as part of a through transportation, which it in fact is, and to apply to it from that port a rate lower than the local rate. We are asked to do this by establishing from Galveston proportional rates applicable to traffic which has reached that port from the Atlantic seaboard by water.

The defendants deny the jurisdiction of the Commission to fix a rate of this character, and they further urge that if the jurisdiction exists it ought not to be exercised under the circumstances of this case.

It is well understood that carriers voluntarily maintain so-called export and import rates to and from the various ports which are less than their domestic rates. Such rates are maintained through the port of Galveston by the rail carriers, defendants in these proceedings. The maintenance of so-called proportional rates, which differ from corresponding local rates, to and from junction points applicable to traffic which originates or goes beyond such points is very general. Rates are named from interior points to various ports on domestic business which are less than the local rates, and which differ according to the final destination of the traffic.

The Commission has recognized the propriety of such rates, to an extent at least, and has at times acted upon those rates when established by the carriers.

There is much to be said in favor of the exercise of that jurisdiction in this case, if it exists. Water transportation between the Atlantic seaboard and Galveston has never been open to free competition. In recent years this business has been largely controlled by two lines of steamships which seem to have established and maintained a schedule of rates mutually satisfactory. On several occasions independent boats have endeavored to break into this traffic and rates have been temporarily much depressed, but the railways have declined to recognize these ships or to establish joint rates with them, and the result has finally been either that the line has withdrawn from the business, as in case of the Lone Star line in 1908, or been absorbed by a competing line, as was the Texas City line in 1911.

The complainants assert that the benefit of water competition between the Atlantic seaboard and Galveston never can be enjoyed, and that the fair cost of this water transportation can not be determined unless carriers are compelled to handle this through business to and from the port of Galveston upon equal terms as to all water carriers.

It is evident that such proportional rates if named must be confined to the traffic to which they apply by some proper system of policing. It is also evident that unless there are through arrangements for the movement of this business from the point of origin to destination, involving the issuing of through bills of lading, and the collection and distribution among the different carriers of the total charges either at the point of origin or at destination, the rates themselves will not be of much benefit to the general public, and may result in discrimination in favor of those who are so situated as to be able to take advantage of them.

Assuming that the right to establish these proportional rates exists, it ought not to be exercised unless such conditions can be attached to their use as will make them nondiscriminatory and of general advantage.

We have also considered with considerable care the amount of the rate itself which we might fix. We have held that a first-class rate of \$1.30 was reasonable from Galveston to Denver. The complainants ask us to fix a proportional rate between these points of 72 cents. The difference between proportional rates requested and the local rates found reasonable from Galveston to Wichita and Oklahoma City, while not as great in proportion as the above, is nevertheless a large percentage of the local rates. When it is remembered that in the *Burnham-Hanna-Munger case*, 14 I. C. C., 299, we finally applied from the Mississippi River a rate only 5 cents lower to traffic coming from beyond than the local rate, it will be seen that no such difference as that suggested by the complainants could be



recognized, and it is admitted by them that unless figures approximating these can be used no special benefit would be obtainable from the establishment of such rates.

It is also true, as claimed by the defendants, that substantially the same rates should apply over all lines, and that the establishment of proportional rates sufficiently low to produce any effect would result in continual fluctuation by this line.

Looking at this whole situation and having in mind particularly the rates which we must establish in justice to the rail carriers, we are of the opinion on the whole that to attempt to name proportional rates, as requested by the complainants, would not under the circumstances be a wise or proper move. These rail carriers should be required to maintain reasonable rates with all responsible steamship lines plying between the Atlantic seaboard and Galveston. They should be required to accept as their division of the through rate a reasonable sum, which may well be substantially less than their just local charges. If any steamship company is content to take as its division materially less than what is now accepted by the present steamship lines, that is a substantial reason for a reduction of the total through charge, but we are strongly of the opinion that the establishment of proportional rates would introduce a novel and untried element into this situation, that it would result in no general benefit, that it might lead to discrimination in many instances, and that upon the whole the experiment ought not to be tried.

Indeed, the complainants themselves, realizing the impossibility of obtaining proportional rates low enough to be of much avail, have devoted themselves mainly to the attempt to demonstrate that the present joint rates are unreasonable, and this is the real question for determination.

The complaint in No. 2904 puts in issue the reasonableness of the through rate from the Atlantic seaboard to points in the state of Texas; but that phase of the case has not been urged in the trial and is not considered here. Since the advent of the Texas City line port-to-port rates have been so reduced that the combination through Galveston of the port-to-port rate and the rate of the Texas commission has, in all cases, made a lower through charge than the joint through rate. No business moves, therefore, upon the joint rate, and no joint rate which this Commission would be likely to establish would be as low as the combination. Hence shippers in Texas are satisfied with the present situation, especially as long as the high rate must be paid by their competitors in Oklahoma.

We proceed to consider, therefore, the reasonableness of these through rates to points outside the state of Texas, taking, first, Wichita and examining the first-class rate, which is now \$1.80.

This rate applies as a blanket from all points in Atlantic seaboard territory as defined by these tariffs. This territory, it will be remembered, is of considerable extent. Lines of railroad leading from interior points to New York, which is the port from which all sailings occur, generally have rails of their own and are always parts of through routes by which this traffic could be handled directly from the point of origin to the southwest by all-rail movement. They are therefore antagonistic to the movement via Galveston and exact for their service from the interior up to New York full local charges. The line from the Atlantic seaboard via Galveston really begins at New York, and the expense of bringing this traffic up to New York and getting it to the dock of the steamship at New York is an outlay which must be borne by the Galveston line.

The defendants went into an elaborate computation with a view to determine the average rail haul from the interior point to New York, reaching the conclusion that this was slightly in excess of 300 miles. But the method employed and the conclusion reached are worthless for the purpose of this discussion. Each station in Atlantic seaboard territory was taken and the average distance arrived at by adding together the sum of the distances from each station and dividing by the number of stations. A result so reached is of no significance here, since the amount of traffic originating at each station is not by any means the same.

A very large proportion of the business which seeks the water route via Galveston comes from New York itself or from that industrial center, and pays virtually no rail transportation charge. Much of it originates at comparatively nearby points. The record contains no data from which an accurate conclusion can be drawn; but, making the best estimate possible, it seems probable that the average rail haul estimated upon all traffic, including that originating in the city of New York, would be equivalent to 100 miles.

The first-class rate applicable to a haul of this distance in that territory would be about 25 cents, and it is probably just to allow these defendants to charge 25 cents per 100 pounds against the expense of bringing traffic which moves under the first-class rate to the city of New York.

There is in addition to this a drayage charge upon traffic reaching New York by rail and perhaps a drayage absorption in case of traffic originating in New York, which is fairly equivalent to another 5 cents per 100 pounds on first-class business.

This freight is handled under what is known as an insured bill of lading; that is, the marine insurance is paid, not by the shipper, as is usually the case with water-borne traffic, but by the carrier on account of the shipper, and it was said that this would amount in case of first-class business to at least 5 cents per 100 pounds more.

These originating charges are deducted from the through rate before the division is made, and so deducting there remains to the water line from New York to Galveston and the rail line from Galveston to Wichita out of the \$1.80 rate \$1.45, which is divided, 35 per cent to the water line and 65 per cent to the rail line. Stating these divisions in cents, the rail line would receive 94½ cents, the water line 50¾ cents.

We have held that a first-class rate from Galveston to Wichita of \$1.32 would be reasonable. The division received by the rail carrier ought to be less than its local rate, but it can hardly be said that 94½ cents would be an unreasonable charge for the rail part of this through service.

It remains to inquire whether the division in this case is upon a fair basis or whether the water line receives more than is justly its due, and whether, therefore, the through rate can be properly reduced by reducing the division of the water carrier.

It has already been stated that this record, as originally made up by the parties, contained almost no evidence upon the cost of water transportation or the reasonable charge for handling this business from New York to Galveston. For this reason the case was reopened by the Commission upon its own initiative and a considerable amount of testimony bearing upon that point taken. But the record even now affords no basis for a satisfactory conclusion, nor indeed is it easy to see how such a basis can be supplied.

The conditions governing water transportation are entirely unlike those pertaining to transportation by rail. The cost of operating the ship is practically the same whether it carries a full cargo or no cargo. The profitableness of this operation under a given schedule of rates would depend wholly, therefore, upon the ability of the ship to obtain a proper load. Much would depend, also, on the possibility of obtaining a loading in both directions.

We have before us the rates charged from port to port before the Texas City line began operations, and the rates in effect at the time of the hearing. The manager of the Texas City company stated that his present rates were reasonably satisfactory, although they were much less than those formerly in effect.

We are satisfied that the monopolistic conditions which have existed in this water traffic between the Atlantic seaboard and Galveston have resulted in excessive charges, but to what extent it is impossible to say.

As bearing upon the reasonableness of these through charges and of the divisions before us an attempt was made to determine the number of water miles which should be taken as equivalent to one rail mile. It was said by the defendants that the ordinary proportion was about three to one, while the complainants insisted that in

the case before us, at least, not less than seven to one would be the fair proportion.

This record shows that the expense of operating the ship upon the ocean is not great, and that the terminal or dockage expenses are the more serious item. It was said that of the total expenses 60 per cent were at the dock and 40 per cent upon the ocean. Plainly, therefore, in determining the number of water miles which shall be set over against a rail mile as the basis of division everything must depend upon the length of the haul. The cost of transportation per mile by water is comparatively high for short distances and very small for long distances.

It is also evident that much must depend upon the character of the rail mileage with which the division is to be made. The cost of the water transportation between New York and Galveston is the same whether the traffic is to be taken from New York to an interior point or to Galveston, but the first-class rate for a given distance from Galveston is twice that from New York.

Plainly it is impossible to determine with exactness the number of rail miles which should be charged against this water haul, but for the purposes of this discussion we assume that the contention of the complainants is in the main correct. The total distance from New York to Galveston is slightly less than 2,200 miles, and we have assumed that this distance, as compared with a rail haul of the character of that from Galveston to either Wichita or Denver, would be fairly equivalent to 350 miles.

The distance from Galveston to Wichita is 700 miles, and upon the basis above named the rail carrier would be entitled to two-thirds, or 66 $\frac{2}{3}$  per cent, of the net amount for division, which is almost exactly the figure used.

We must find, therefore, that the rate of \$1.80 from Atlantic seaboard territory to Wichita is not excessive; and what is true of the first-class rate is true of the other classes.

The first-class rate from Atlantic seaboard territory to Denver is \$2.34. Deducting from this 35 cents, the gathering charge at the eastern end, which must be paid before the through rate is divided, there is left \$1.99 to cover the transportation from New York to Denver.

Assuming that the water distance from New York to Galveston is equivalent to 350 rail miles and that the distance from Galveston to Denver is 1,100 miles, we have a total rail haul of 1,450 miles which this rate covers.

We have just held that \$1.80 from Galveston to Denver for 1,100 miles is not excessive. In the *Salt Lake case*, previously referred to, we established as reasonable a first-class rate of \$1.90 for an average haul

of about 1,100 miles. In the *Reno case*, 19 I. C. C., 238, we fixed a first-class rate of \$2.50 from the Missouri River to Reno, a haul of about 1,600 miles, and to Winnemucca, a distance of approximately 1,400 miles, the rate was made \$2.38.

If these rates, and they were all named in cases recently decided and carefully investigated and considered, are to be taken as reasonable, then certainly we can not hold that \$1.99 is excessive for a total haul of 1,450 miles over railroads of the character of those between Galveston and Denver. We are therefore constrained to hold that the rate from Atlantic seaboard territory to Denver is not unreasonable.

There remains for consideration the rate from Atlantic seaboard territory to Oklahoma City, which is the same as to Wichita—\$1.80 first class.

The distance from Galveston to Oklahoma City is about 550 miles. Adding to this 350 miles for the water line from New York, there results a rail distance of 900 miles. Deducting from the through rate the gathering charge, \$1.45 is left to be applied to this rail haul of this distance.

In the *Texas Commission case*, already referred to, we approved a first-class rate of \$1.47 for an average distance of approximately 800 miles. In this case we have just established as reasonable a rate of \$1.32 from Galveston to Wichita, a distance of 700 miles. Upon analogy with these cases in the same territory it must be held that \$1.45 first class is not an excessive charge from Atlantic seaboard territory to Oklahoma City.

The hardship which the present adjustment of rates imposes upon central Oklahoma points has been strongly urged upon the attention of the Commission in this proceeding. The Texas commission establishes rates upon a mileage basis up to a certain distance beyond which the rate applies as a blanket to all Texas common points. Thus, the first-class rate from Galveston for a distance of approximately 300 miles is 87 cents and this same rate applies to the northern border of Texas, a distance of 450 miles. This gives the distributing cities in the north of Texas, which wholesale in competition with Oklahoma points, a distinctly lower rate from the Atlantic seaboard than Oklahoma enjoys, and undoubtedly results in a decided advantage to Texas jobbing centers in case of articles purchased upon the Atlantic seaboard.

But this discrimination is one which this Commission is powerless to remedy. The Texas rates are a matter of domestic concern over which we exercise no control. The so-called discrimination results not from the Texas rates, but from the fact that under the decision of the Supreme Court of the United States the shipper, by

taking possession of his traffic at Galveston, can obtain the benefit of the water rate to Galveston and the rail rate from Galveston, although the shipment is, in point of fact, an interstate movement. If the results which flow from this holding are not satisfactory Congress may easily provide that a movement which is interstate in fact shall not be converted into two local movements by an intervening possession. In that case this Commission could establish a reasonable rate to Texas points which must be applied to all shipments from the Atlantic seaboard to those points, and discrimination resulting from abnormal conditions like that before us would be rendered impossible. To-day this Commission, while it recognizes the existence of a discrimination, can not pronounce it unlawful.

Upon the east Oklahoma City is in competition with jobbers at Fort Smith, Ark., which is alleged to enjoy rates much lower than its relative location would warrant. The carriers assert that this is due to competitive conditions, but that situation is not before us. We are considering here simply the reasonableness of the rate from the Atlantic seaboard via Galveston.

The whole case of the complainants rests upon the assertion that the cost of transportation via Galveston is less than via other routes, and that if this route, which is termed the "natural" route, were given its legitimate opportunity, lower rates would result. But can it be affirmed with confidence that the cost of handling business from Atlantic seaboard territory is less by this route than by, for example, the rail-and-lake route to Chicago?

The distance from Chicago to Denver is slightly less than from Galveston to Denver. The distance from Chicago to Wichita is almost exactly the same as from Galveston to Wichita. If, therefore, this traffic can reach Chicago from Atlantic seaboard points at as low a transportation charge as Galveston, then there is no reason why the rate through Galveston should be lower than the rail-water-rail rate through Chicago.

We have already seen that the cost of delivering traffic from Atlantic seaboard territory upon the dock at New York, from which it is taken by the steamship to Galveston, is equivalent to a rail haul of 100 miles plus a drayage charge. The average rail haul from this same territory to Buffalo would be probably 300 miles. From Buffalo to Chicago the distance by water is approximately 900 miles. When the greater competition from these points to Chicago by rail and water as well as by all-rail lines is considered, can it be asserted that the rate on the average from Atlantic seaboard territory to Galveston should be less than that to Chicago?

Let this situation be restated. It costs the Galveston line 30 cents per 100 pounds upon the average to concentrate from Atlantic sea-

board territory first-class freight upon the dock at New York. There is a further charge for marine insurance, which is borne by the carrier, but which, in comparing the Galveston rate with the Chicago rate, may be disregarded, since the rail-and-water rate to Chicago also carries with it at the present time an item of marine insurance.

We have held that the water haul from New York to Galveston may be fairly equivalent to a rail haul for 350 miles in southwestern territory. The Texas commission names a first-class rate of 80 cents for 245 miles, and the Commission has approved this as reasonable in the *Shreveport case*, 23 I. C. C., 31. We have just found that \$1.12 is a just rate for 550 miles from Galveston to Oklahoma City. In the *Cincinnati case*, 18 I. C. C., 440, the Commission established as reasonable a first-class rate of 70 cents for a distance of 336 miles from Cincinnati to Chattanooga, and this rate, as stated in that opinion, is below the ordinary rate in southern territory for a corresponding number of miles. We could not, certainly, establish for a distance of 350 miles with any consistency a first-class rate of less than 70 cents.

But suppose, instead of taking this rate, we take the low competitive rate in effect at one time via the Texas City line, which was 50 cents, and add to that the gathering charge of 30 cents. The result would be a first-class rate of 80 cents from Atlantic seaboard territory to Galveston, while the rate now in effect from New York to Chicago via rail and water is 62 cents, and the average rate from Atlantic seaboard territory would not probably differ much from that figure.

The complainants have suggested that we ought to establish a rate from New York City lower than from the remainder of Atlantic seaboard territory and that we should compel rail lines leading from various points in that territory to New York to join in through rates from the point of origin.

It is somewhat doubtful whether the commission has jurisdiction to do this even though the complaint was so framed as to cover the making of such an order. The statute requires us to give carriers the benefit of the long haul in establishing joint rates. Could we, for example, taking Albany again as a point of departure, establish via the New York Central, through New York to Wichita, a joint through rate, thereby depriving the New York Central of the longer haul on this business, either rail-and-lake or all-rail?

But, assuming that we might do this, the net result could only be a comparatively slight reduction in rates as at present constructed, namely, the difference between the local rates of originating lines to New York City and a fair division of the through rate to those lines. The carriers protested against any change in the present

blanket system and the complainants did not insist upon it, except as one means of possibly forcing lower rates than the present.

Great stress is laid by the complainants upon the fact that lines leading from the south Atlantic ports accept for their service up to the Mississippi River the low divisions which they do. It is said that many of these lines are no stronger than lines leading from Galveston to Wichita and to Denver, and we are asked to apply as divisions to these latter lines the same amounts per mile which the south Atlantic rail lines accept.

This argument overlooks the fact that the rate via these south Atlantic ports is strictly competitive. It is the rate from New York to Chicago, whether it be by rail, by rail-and-water, or by all-water which fixes the charge from New York through the south Atlantic port to the Mississippi River. That rate must be less than the all-rail rate or business will not move via that route. Hence, the rate can not be said to be voluntary and ought not to be used as a standard of comparison.

It was said that owing to the disadvantages of the Galveston route in length of time, etc., a differential should be accorded to that route; but this is a matter in which these complainants have no interest. They are satisfied with the service via the south Atlantic ports, which is better than that via Galveston. They frankly state that the purpose of this proceeding is to secure lower rates to which they believe they are entitled by the Gulf. We do not, therefore, consider the question of differentials. We simply hold that present rates from Atlantic seaboard territory to these southwestern points are not unreasonable.

No reference has been made to many of the facts shown in evidence and the arguments adduced in the course of this proceeding. The fundamental contention has been stated, and with this contention after the most patient investigation we are unable to agree.

The complaints numbered 2904 and 4586 will be dismissed. An order will be entered in No. 2900 establishing from Galveston to Wichita and Oklahoma City the class rates found reasonable,



The illustrations given of the existing rates in Western Territory show that the rates as a whole are higher than those of the territories east of the Mississippi River. As the tendency of freight rates is downward, it is quite reasonable to anticipate that as this portion of the country is developed through the vast irrigation projects and by the colonization of what is now arid territory, the increase in the volume of traffic will force the level of the current rates to a scale which will compare quite favorably with that in other sections of the country.

In the preceding chapters an outline of the more important rate adjustments has been given. It should be borne in mind, however, that there are many cases where the general basis must be disregarded and individual rates established without regard to the general adjustments. This is very effectively illustrated by the following remarks of Mr. R. S. Lovett, made before the Railroad Securities Commission in 1910. Mr. Lovett was Chairman of the Executive Committee of the Union Pacific Railroad at the time he delivered this speech.

I have been rather intimately connected with the management of railroads for over twenty-five years. \* \* \* If you ask me to state all the factors that entered into, and that still enter into, the making of rates, it is impossible for me to do so. They are as innumerable as the transactions in the commercial and business life of the nation. They grew out of the needs of each community, each station, each industry, each commodity, and each individual; and as the needs of one of these were met the rate resulting would often, and I may say generally, affect a different community and different individuals in such other community, and require the readjustment of the rate there; and so on almost without limit. Out of such considerations as these the present system of rates grew. \* \* \* Such changes in rate schedules must be made from time to time; and the method of making

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them must be very flexible, so as to respond to the needs and requirements of business in each community and in each industry, if our commercial, industrial, and agricultural development is to continue naturally.

Scarcely a day passes but that some complaint is filed with the Interstate Commerce Commission or with the various state commissions, questioning the reasonableness of rates long existing.

Especially has this been true in recent years (since 1907), many axes having been ground on the carriers' rates. The question of reasonable and unreasonable rates involves so many factors that it is impossible to discuss them at this time. Suffice it to say that it must be clearly proved that the rates complained of result in the curtailment of the advantages to which a locality, individual, or commodity is naturally entitled.

## TEST QUESTIONS

These questions are for the student to use in testing his knowledge of the assignment. The answers should be written out, but are not to be sent to the University.

1. What is the rate structure in the Territory of the South-western Tariff Committee partially the result of?
2. What is and has been the policy of the State Railroad Commission of Texas?
3. What other system of rate-making in the United States resembles the system employed in Texas?
4. Into what territorial divisions is the State of Texas divided?
5. What are the rates for Common Point Territory?
6. In what way does this system of rate-making enable jobbing centers to compete with each other?
7. How does it affect competition between points within the state and those in adjoining territories?
8. Why cannot rates made on the distance principle stand the test of competition?
9. What are the principles of competition in this territory?
10. How is the degree of competition between markets of production expressed?
11. What has the Interstate Commerce Commission to say relative to differentials?
12. What is direct market competition?
13. Give an illustration of the indirect competition between transportation routes.
14. What kind of competition exists between carriers?
15. Name five cities that are located in Texas Common Point Territory.
16. Who promulgates the Texas intrastate class rates? Commodity rates?
17. How are the distances between points within the State of Texas ascertained?
18. When may a combination of local distances be employed?
19. How are joint rates constructed?
20. Are specific rates from point to point authorized by the State Railroad Commission?
21. How are rates on the Chicago, Rock Island & Gulf Railway constructed?

22. Where is Differential Territory located?
23. What is the basis for the construction of rates between points in Texas Common Point Territory and points in Texas Differential Territory? Give an illustration of the application of this basis.
24. Are exceptions made to the general basis?
25. Is the long-and-short-haul clause strictly adhered to?
26. On what general kind of commodities does the State of Texas authorize commodity rates?
27. How are joint rates on shipments of stock cattle constructed?
28. What are the minimum weights on shipments of horses, mules, etc., when shipped in cars 36 feet in length? When they are shipped in cars in excess of 40 feet in length?
29. What is the general application of the rate prescribed on live stock?
30. How is a "stable car" defined?
31. Enumerate several exceptions to the application of the general basis for rates.
32. What is the rule relative to the rule of mixed carload shipments of live stock?
33. Has the trend of the St. Louis-Texas Common Point rates been upward or downward?
34. What rates to other parts of the country does the Interstate Commerce Commission say furnish some guide as to what are proper class rates to Texas Common Points?
35. What are the defined territories? Name a principal point in each one of them.
36. Define the differential adjustment.
37. Do the differentials from any one of the defined territories fluctuate?
38. Is the basis for the construction of southbound rates the same as that employed for the construction of northbound rates?
39. How are class rates from Texas Common Points to Utah Common Points constructed?
40. How are rates from Texas points to Central Freight Association points constructed?
41. How would a rate from Pittsburgh-Buffalo Territory to a point in Texas Differential Territory be constructed?
42. Via what route does the bulk of the traffic originating in Trunk Line and New England territories move into the State of Texas?
43. How are established lines defined?
44. Would you say the business from this territory is highly competitive? Why?

45. How does the service of the Gulf lines compare with that of the railroads?

46. To what territories do the water lines compete with the all-rail routes?

47. Define the jurisdiction of the Interstate Commerce Commission over the traffic of the water carriers.

48. How do the water rates from New York to Galveston compare with the all-rail rates?

49. What section of the country would you say enjoyed a great advantage because of the service afforded by the water routes?

50. How are the water-and-rail rates to interior points in the State of Texas constructed?

51. How are rates from interior seaboard points and Atlantic Seaboard territories constructed?

52. How far west may shippers avail themselves of the service via New York?

53. Give an example of the construction of rates from an interior point in Seaboard Territory to a point in Texas Common Point Territory.

54. How are rates from Atlantic Seaboard Territory to points in Texas Differential Territory constructed?

55. What is the basis employed in the construction of commodity rates via these routes?

56. By whom are intrastate rates in the State of Arkansas prescribed?

57. Comparing these rates with those prescribed by the Railroad Commission of Texas, do they show any points of similarity?

58. What is the basis for the construction of joint rates over two lines?

59. Is the same basis employed in constructing rates over three or more lines?

60. What other system of rate-making does that employed in constructing interstate rates resemble?

61. What are the more important basing points?

62. Enumerate several of the more important Arkansas Junction Points.

63. On traffic moving from the east, what basing point enjoys the most favorable location?

64. What is the method employed in establishing interstate rates to local points within the State of Arkansas?

65. Does the grouping of defined territories on traffic destined to points in Arkansas resemble that employed in the adjustment of rates to Texas?

66. How are all-rail rates from points in Seaboard Territory to Arkansas Common Points constructed?

67. Are differentials conceded the lines via South Atlantic and Gulf ports? How are the rates established?

68. Who prescribes the intrastate rates applicable on Oklahoma traffic?

69. Give an illustration of the competition of foreign markets.

70. How do the rates prescribed by the Corporation Commission of the State of Oklahoma compare with those prescribed by the State Railroad Commission of Texas?

71. What is the basis for the construction of joint rates applying within the State of Oklahoma?

72. Has the order of the commission of Oklahoma been complied with by carriers? If so, under what circumstances?

73. On traffic destined to points within the State of Oklahoma, what jobbing centers have the advantage of location?

74. What are the more important points in the Kansas City Group?

75. Has the adjustment employed in Southwestern Territory been a subject of complaint?

76. How may traffic from the eastern sections of the United States move to points in Southwestern Territory?

77. What is the most recent route to be developed?

78. What is said relative to the physical condition of the lines leading west from Galveston?

79. If rates from New York via the water line are reduced, does a similar reduction from St. Louis follow?

80. Explain the absorption principle employed by the water lines in attracting traffic to their route in Seaboard Territory.

81. Are the rates to interstate points insured or uninsured?

82. What is said in regard to the cost of insurance?

83. Is the competition between the water carriers serving the Gulf and Atlantic ports bona fide?

84. In regard to the division of the revenue, what ratio is employed relative to the water haul as contrasted with the land haul?

85. As to water navigation, how are the expenses of operation divided?

86. What is the total distance from New York to Galveston?

87. Assuming the movement to be from New York to Wichita, on what basis would the revenue be divided between the water lines and the rail lines?

88. What was the Commission's conclusion?

89. What is said with reference to the tendency of freight rates in this section of the country?

90. May the reasonableness of a rate between any two points be gauged by the general basis employed in the territory as a whole?





# FREIGHT RATES

## WESTERN TERRITORY

### PART 3

### TRANS-CONTINENTAL TERRITORY

J. A. BEHRLE  
Chief of Tariff Bureau  
Chicago & Alton Railroad

LASALLE EXTENSION UNIVERSITY  
(Non-Resident Instruction)  
CHICAGO

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# TRANS-CONTINENTAL TERRITORY

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## CHAPTER I

### DEVELOPMENT OF RATES AND ROUTES

#### 1. OUTLINE OF TERRITORY

This treatise is devoted to an exposition of the so-called Trans-Continental rate structure. This structure is, without question, the most comprehensive of any employed in this country, as practically the entire United States is subdivided into groups, from and to which rates are published.

In the comparatively small issues of the Trans-Continental Freight Bureau it is possible to obtain rates between Pacific Coast Terminal Points and related points on the one hand and any and all points east of and including the Colorado Common Points on the other hand.

The grouping of the territory for rates to and from Pacific Coast Terminal Points is clearly indicated on Map 7 of the Atlas of Traffic Maps. This map will be found to be of much assistance in following the discussion of the general adjustment, which is given in the following chapters of this work.

#### 2. ROUTES

On traffic between the Atlantic and Pacific coasts of the United States, a number of alternative routes with

varying charges are available to shippers located on and adjacent to either coast: (1) The all-water routes by way of Cape Horn for sailing vessels and through the Strait of Magellan for steamers; (2) the routes via the Isthmus of Panama in connection with the Panama Railroad; (3) the routes via the Isthmus of Tehuantepec in connection with the Tehuantepec National Railway, transferring traffic across the isthmus by rail from Puerto Mexico to Salina Cruz, Mex.; (4) coastwise lines to South Atlantic and Gulf ports and thence via rail; (5) rail-lake-and-rail routes during the season of navigation upon the Great Lakes; and (6) all-rail routes.

The only railroad possessing a through route between the Atlantic and Pacific coasts is the Southern Pacific Railroad, which operates a subsidiary company, the Morgan Line of Steamers, between New York City and Galveston and New Orleans, transporting the traffic from Galveston and New Orleans west over its own rails or those of affiliated companies.

### *(a) All-Water Routes*

The first route by which large quantities of freight were transported from coast to coast was by sailing vessel around Cape Horn, and indeed, even at this late date, there is a continued movement of freight by this way and means. The steamships have, however, to a great extent displaced the sailing vessels by taking advantage of the shorter but more hazardous passage through the Strait of Magellan.

Moreover, it may be safely stated that, irrespective of the completion of the Panama Canal, traffic will continue to move by these routes. While sailing vessels often re-

quire 200 days in which to complete the voyage, this very element of time is of especial advantage on some traffic. It has been stated that the wine producers in California make use of this route, claiming that the motion of the vessel for so long a time ages the product more rapidly than any other known means and enhances its value accordingly.

*(b) Rail-and-Water Routes via Panama*

The attending perils and the length of time required by the voyage around Cape Horn led to the establishment, in 1848, of a shorter route by way of the Isthmus of Panama. Passengers and freight were taken to Colon by water and transferred across the isthmus to Panama by stages, or pack trains, and barges. The discovery of gold in California accelerated traffic via this route to a great extent and subsequently (in 1855) the Panama Railroad was completed across the isthmus, thus connecting the Atlantic and Pacific terminals. This railroad is still in existence, being operated by the United States government through the Isthmian Canal Commission, although its value for general traffic has been greatly impaired during the years in which the canal has been building.<sup>1</sup> However, when the canal is put into operation it is not unlikely that considerable use will still be made of this route for miscellaneous cargoes which, for several reasons, do not warrant the expense of canal tolls, or which may be transferred across the isthmus via rail and reshipped to destination from the

<sup>1</sup> Until recently the Panama Railroad and Steamship Line have been used almost entirely in moving material for the construction of the Panama Canal.

other terminal to better advantage than by the vessel passing through the canal.

*(c) Rail-and-Water Routes via Isthmus of Tehuantepec*

The competition between the Panama route and the all-water routes around Cape Horn became so acute that in 1907 the American-Hawaiian Steamship Company, which had, in 1900, supplanted its fleet of sailing vessels (known as the Clipper Service) around Cape Horn by a fleet of steamers through the Strait of Magellan, inaugurated a new service by way of the Isthmus of Tehuantepec. Traffic was now borne by water from New York to Puerto Mexico (Coatzacoalcos) and thence by rail to Salina Cruz, where it was reshipped to destination.

The rail carriage across the isthmus is 193 miles in length and is over the Tehuantepec National Railway, which is owned by the Mexican government. At the present time the fleet of the American-Hawaiian Steamship Company consists of some 26 vessels, built and building, of from 5,000 to 12,000 tons each. This company maintains a weekly service, averaging five sailings monthly, from New York and from San Francisco; the scheduled time for a voyage is 25 days to San Francisco, 35 days to Portland, Ore., and 40 days to Seattle, Wash. The company is also engaged in the Hawaiian trade and handles immense cargoes of sugar exported from that island to the United States.

*(d) Rail-and-Water Routes via Gulf Ports*

In 1883 a route linking the two seaboard was established by a coastwise steamer from New York to Galveston and New Orleans and thence by rail via the



Southern Pacific Railroad and allied lines to destination. The steamship line between the ports is known as the Morgan Line, and is owned by the Southern Pacific Railroad and operated as their Atlantic division. It is the only rail-and-water route between the coasts wherein the participating lines are under a common management or control.

The Atchison, Topeka & Santa Fe Railway has a working arrangement with the Mallory Line, an independent water carrier operating between New York and Galveston, under which it maintains the same rates as those in effect via the route of the Southern Pacific Railroad on traffic originating at or destined to points in Seaboard Territory to or from points beyond the port of Galveston, including Trans-Continental business. These lines maintain such an excellent schedule, from coast to coast in from 12 to 16 days, that a large volume of the Trans-Continental traffic originating in Trunk Line Territory is forwarded via this route.

*(e) Rail-and-Water Routes via Great Lakes*

Still another route is that via the water carriers operating upon the Great Lakes between their eastern and western termini and thence via the railroad carriers thereto or therefrom. The rates thus established are somewhat less than the all-rail rates, but this route is available only during the season of navigation upon the Great Lakes and does not exert any controlling influence upon the rate structure as a whole.

*(f) All-Rail Routes*

The year of 1869 marked the completion of the Central Pacific Railway, which, with the Union Pacific Railroad, formed the first all-rail through route from coast to coast. Today five great systems connect the Middle West and the Far West. These systems, together with their subsidiary lines, form many routes over which traffic may move to and from this territory, and an inspection of the existing tariffs indicates that practically every carrier of prominence, both east and west of the Mississippi River, participates with these systems in the maintenance of through rates and routes to and from this territory.

## 3. DISTANCES

The distances from New York to San Francisco via the various routes afford an interesting comparison.

All water via Strait of Magellan.....	13,135 miles
Ocean, rail, and ocean via Panama.....	5,270 miles
Ocean, rail, and ocean via Tehuantepec.....	4,246 miles
Ocean and rail via Galveston.....	4,371 miles
All rail .....	3,188 miles

Upon the completion of the Panama Canal, the all-water routes will be somewhat shorter than the present water-rail-and-water routes, the estimated distance between New York and San Francisco being 5,262 miles.

The cost of operation of the present routes by way of Panama and by way of Tehuantepec is greatly increased over the all-water routes, for the reason that on such traffic at least four additional handlings of shipments are necessary: (1) the unloading of the vessel at the

isthmus, (2) the loading into cars at the eastern terminal, (3) the unloading from cars at the western terminal, and (4) the reshipping at that point. It is quite reasonable to anticipate that when the canal is completed the elimination of these reshipping and loading and unloading charges, as well as an attendant reduction in expense, via the Panama route should force the rates to a still lower level than those in force at this time.

#### 4. COMPETITION OF CARRIERS

Having now shown the alternative routes that are available from some sections of the country, it may be well to consider just how effective the competition is between the all-water, water-and-rail, and all-rail routes.

In so far as the water carriers via Cape Horn or the Isthmus of Panama or the Isthmus of Tehuantepec are concerned, rates are made only from and to the ports they touch. Persons located at interior points may avail themselves of this service by rebilling the shipment from the port of call at the local rate applying therefrom, the aggregate charges in many instances being less than the through rate of the all-rail lines. In fact, the traffic manager of one of these lines stated before the Interstate Commerce Commission that although traffic via his line did not move in great quantities from points west of the Buffalo-Pittsburgh district, his line had handled starch from Chicago, radiators from Detroit, books and papers from Milwaukee, farm implements from South Bend, and that shipments of various kinds from points west of this line were comparatively frequent.

So far the rates made by the water carriers have been sufficient in themselves to attract to these routes an

## 8 FREIGHT RATES—WESTERN TERRITORY

amount of traffic that taxes their present facilities to the utmost.

Table 1 gives some idea of the volume of traffic handled via the water routes.

TABLE 1

VOLUME OF INTER-COASTAL WATER TRAFFIC FROM 1906 TO 1911

YEAR	TONS OF FREIGHT				TONS OF HAWAIIAN SUGAR
	Via Panama R. R.	Via Isthmus of Tehuan- tepec	Via Cape Horn and Strait of Magellan	Via Tramp Vessel	Via Isthmus of Tehuan- tepec
1906.....	50,851	146,900	271,276	271,324	91,700
1907.....	42,229	145,900	239,553	239,638	198,300
1908....	38,420	144,200	188,918	89,075	242,700
1909....	46,823	312,400	74,982	75,195	248,100
1910.....	79,876	306,700	151,073	151,073	244,300
1911.....	211,928	458,300	137,907	138,318	296,600

No accurate figures can be obtained as to the total volume of Trans-Continental traffic, although an estimate by officials of the Trans-Continental roads indicated a total of 3,000,000 tons of westbound freight for the year 1909. The tonnage of the water carriers for that year was 313,558 tons, or 10.5 per cent of the total, indicating a westbound movement via rail of almost 90 per cent. In 1911 these figures had risen to a total of 3,481,600 tons, of which the water carriers secured 494,600 tons, or 14.2 per cent of the total, and the rail lines 2,987,000 tons, or 85.8 per cent.

From this it is seen that water competition does exist and that it exerts no little influence upon the rates that the rail carriers may charge; while there are some articles that the water lines do not care to or are not per-

mitted to handle, these articles are but a small percentage of the total volume, and the all-rail structure must be built with a wholesome respect for the rates applied via the water lines.

At this time six water lines have signified their intention of participating in Trans-Continental traffic upon the opening of the Panama Canal. Thus, it may be seen that in the very near future the Trans-Continental railroads will be called upon to meet a competition by water which will be much more aggressive than any they have been compelled to meet in the past, not only in so far as rates are concerned, but in regard to service as well, for it is anticipated that the time of the present voyage between the coasts will be reduced to about two weeks.

The direct effect of the present competition is felt by the all-rail carriers at points where the aggregate of the water rates plus the rates from or to the ports makes a lower rate than that which would apply via rail under normal conditions.

It is practically impossible to show by specific tariff reference the rates that are made by the water lines, because these carriers are not subject to the same regulations governing the posting and filing of tariffs with the Interstate Commerce Commission as the all-rail lines are subject to, but base their rates, in some instances, on the volume of traffic offered and the tonnage that they have in sight for their ships. It is generally admitted, however, that on what is known as the Merchant Iron List, which constitutes very attractive tonnage to the water lines on account of the density of its loading, the rate from New York City to California terminals is approximately 60 cents per 100 pounds. The rate from Pittsburgh, Pa., to New York City is 18 cents per 100

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pounds, which produces a combination rate of 78 cents per 100 pounds. The all-rail lines must approximate this rate if they desire to secure any of the traffic for all-rail movement; as a consequence, the rate on this Merchant Iron List via all-rail lines is 80 cents on structural iron and 85 and 90 cents on other iron articles. The all-rail carriers may not publish the same rate in cents per one hundred pounds as is obtainable via the water routes, for the reason that shipments via water routes are subject to certain charges outside of freight rates that affect the value of the service to the shipper, viz.: (1) Insurance must be placed covering the marine risk; (2) interest is charged on the invoice value of the goods; and (3)

TABLE 2

COMMODITY RATES FROM NEW YORK VIA LINES OPERATING  
THEREFROM TO PACIFIC COAST CITIES

COMMODITIES	RATES IN CENTS PER 100 POUNDS		
	Via All-Rail Lines <sup>1</sup>	Via Panama Lines	Via American- Hawaiian Lines
Harvesters, reapers, etc., C. L. ....	125	88	85
Beer (malt extract) in glass or stone, packed or in wood, C. L. ....	100	88	60
Coffee (roasted) in boxes, barrels, or drums, C. L. ....	110	77	70
Cotton sheets and sheetings, C. L. ....	100	70	65
Iron billets, blooms, ingots, and scrap steel, C. L. ....	60	45	40
Condensed milk in tins, glass packed in boxes, or in wood, C. L. ....	85	60	60
Nails, spikes, and wire, C. L. ....	70	55	55

<sup>1</sup> Governed by the Western Classification.

shipments via water routes require better packing than shipments via all rail.

These reasons permit the all-rail lines to fix their rates somewhat higher than the actual figures obtainable via the water routes.

To illustrate further the water rates which must be met by the all-rail lines, Table 2 shows the rates from New York via lines operating from that point on some of the principal commodities carried by them to Pacific Coast cities.

It is to be noted that in all instances the rates via the isthmus lines are considerably lower than those applying by rail.

Within the past two decades the industrial movement has been westward, so that now practically the same classes of manufacturers are located in the central and middle states as are located in eastern and New England states, and naturally they are in competition with each other in the world's markets. In respect to traffic destined to the Pacific Coast, the western manufacturer is in a peculiar position, for, although he is approximately 1,000 miles nearer than the manufacturer located in New York, he must pay a rate which is from one-third to one-half higher than that paid by his competitor in the East. Therefore, it is quite obvious that unless some relief were accorded him, placing him on a relative footing with the eastern manufacturer, he would be under so great a handicap that it would be impossible for him to compete with the business interests in and about the eastern seaboard, and, as a result, the eastern competitors could hold the balance of trade in the Pacific slope regions to the detriment of the western manufacturers. Likewise, it would compel the Pacific

coast merchant or jobber to purchase his supplies in one market.

In speaking of this adjustment of the rates, the Interstate Commerce Commission, through Mr. Prouty, says:

Carriers maintain the same transcontinental rate from Chicago as from New York, not by reason of the direct effect, but rather as an indirect result of water competition. The reason for this will be best understood by an actual illustration. Assume that a building requiring the use of a large amount of structural steel is to be erected in San Francisco. That steel is manufactured both at the seaboard and in Chicago. That which is made at the seaboard can be taken by water from the point of origin to the point of destination, and the rate at which it can move is therefore determined by water competition.

The cost of producing steel is the same at both points. In order, therefore, that the producers may stand an equal chance in competing for this business it is necessary that the rate from both points should be the same, and the business can not move from Chicago unless the rate from that point is as low as from the seaboard.

The Atchison, Topeka & Santa Fe Railway begins at Chicago. If this steel is bought at Chicago and moves by that line, the entire freight money is retained by it; if, upon the other hand, the steel is bought at New York, moved by some line to Chicago, and there delivered to the Santa Fe, that line receives only a part of the through charge. The service performed by it is the same in either case, but the amount of its compensation is larger when the freight originates at Chicago. It is therefore for the interest of that line to name a rate from Chicago which will originate the business at that point instead of allowing it to originate upon the seaboard. The interest of the line from New York to Chicago is that the business should be taken up at New York, and as a compromise it is finally agreed to apply the same rate from both these points. This clearly shows how water competition, if it does not actually extend to the interior point, may and does dictate the rate from that point.

What would be true of the steel entering into the construc-



tion of this building is true also of almost every article of commerce which moves between the East and the West. The Middle West today manufactures nearly everything which is produced upon the Atlantic seaboard, and the effect of this policy of the railroads has been to make the Middle West the almost exclusive market of origin for the intermountain country and largely for the Pacific coast itself.<sup>2</sup>

<sup>2</sup> 21 I. C. C. Rep., 422.

## CHAPTER II

### GROUPING OF TERRITORIES

#### 1. GROUPING OF PACIFIC COAST TERRITORY

For rate-making purposes, so far as the Western states on or adjacent to the Pacific Ocean are concerned, the destinations in Pacific Coast Territory are grouped under two general divisions, viz., Terminal Points<sup>1</sup> and Intermediate Points. The Terminal Points are subdivided into two groups, namely, the North Pacific Coast Terminals and the California Terminals. The former comprise points in the states of Oregon and Washington and the latter certain stations in California. Representative points in the northern group are Seattle and Tacoma, Wash., and Portland, Ore.; in the southern group, San Francisco, Sacramento, Los Angeles, and San Diego, Cal. Many of the Terminal Points are not located on the seaboard, but are, by reason of their commercial importance and the ease with which they may be reached from the seacoast, accorded the terminal basis of rates.

The rates to these points are made considerably less than the rates to points much further inland. Assuming that the water carriers' net rate from port to port on a given division of traffic is 40 cents and that the normal rail rate is 60 cents, traffic would be forwarded by way of the water line only from such inland points from

<sup>1</sup> See Traffic Glossary (Part 4 of Freight Classification).

or to which the rate to or from the steamship pier plus the steamship line's net rate would result in a lower rate than that currently in effect via the rail line.

These inland points are known as Intermediate Points and the specific construction of rates to them will be dealt with in a succeeding chapter of this treatise. Representative Intermediate Points are Reno, Nev., Phoenix, Tucson, and Maricopa, Ariz., and Spokane, Wash.

## 2. GROUPING OF EASTERN TERRITORY

The portion of the United States lying east of the Rocky Mountains is divided into nine irregular groups, designated as Groups A, B, C, D, E, F, G, H, and J. From the outlines of these groups, which are very clearly indicated on Map 7 of the Atlas of Traffic Maps, it may be seen that some states are in more than one group and that the southeastern part of the country is not assigned to any group.

In connection with the rates shown on Map 7, it will be noted that the class rates westward to a great extent decrease. It must be taken into consideration, however, that a large part of the Trans-continental traffic moves on commodity rates and that the same rates often apply on a particular commodity from a number of the groups; for example, it is very common to find the same rates applying on specific articles from New York and Chicago to Trans-continental Territory.

In the publications of the Trans-Continental Freight Bureau, the territorial application is specifically shown in each issue in such a manner that there can be no doubt as to which group a point may be assigned. The following excerpt from one of these publications illustrates the manner in which this information is given.

## APPLICATION OF TARIFF

POINTS FROM WHICH RATES NAMED APPLY	RATES APPLICABLE
<p>ALABAMA :</p> <p>POINTS ON FOLLOWING LINES AS PROVIDED BELOW :</p> <p>Alabama Great Southern Railroad—All points, including Birmingham, via New Orleans, La., and via Vicksburg, Miss.</p> <p>Illinois Central Railroad—All points, including Birmingham.</p> <p>Louisville &amp; Nashville Railroad—Mobile, Ala., only.</p> <p>Mobile &amp; Ohio Railroad—All points west of Tuscaloosa and Birmingham, both inclusive; west of Kellerman, inclusive; and west of Mobile, Alabama Port, and Bayou LaBatre, all inclusive.</p> <p>Nashville, Chattanooga &amp; St. Louis Railway—All points, including Gadsden and Attalla.</p> <p>New Orleans, Mobile &amp; Chicago Railroad—All points.</p> <p>Northern Alabama Railway—All points.</p> <p>St. Louis &amp; San Francisco Railroad—All points, including Birmingham, Bessemer, and points between.</p> <p>Southern Railway—Stations west of Chattanooga, Tenn., and west of Irondale, Gate City, and Birmingham, all inclusive, also Alabama City, Attalla, and Gadsden, and all stations between Birmingham and Bessemer, inclusive, but not including any stations south of Bessemer.</p>	Group C rates
<p>ARKANSAS :</p> <p>ALL POINTS.....</p>	Group E rates

# TRANS-CONTINENTAL RATES

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## APPLICATION OF TARIFF—Continued

<b>CANADA:</b>				Group C rates
Garneau	Grand	Shawinigan	Windsor	
Junction, Que.	Mere.....Que.	Falls.....Que.	Mills.....Que.	
	Hull.....Que.		Ottawa....Ont.	
(Application of rates from above-named stations is limited to rates on Newspaper).....				
<b>COLORADO:</b>				Group G rates
Julesburg.....	Weir .....			
Abeyta	Bovina	Dixon (Lari-	Gilerest	Group J Rates
Acequia	Bowen	mer Co.)	Gilkison Spur	
Acme Junction	Boys	Dixon (Weld	Gill	
Adna	Boyer	Co.)	Glade	
Adrian	Bracewell	Dixon's Mill	Glick	
Ady	Bradbury	Dodd	Glover	
Agate	Bragdon	Dorsey	Godfrey	
Aguilar	Castile	Douglas	Golden	
Akron	Castle Rock	Dover	Goodale	
Albia	Catherine	Downer	Henkle	
Alfalfa	Cedar Point	Drakes	Herrick	
Amherst	Celeryvale	Dresden	Highland	
Amity	Chandler	Dundee	Hillrose	
Anstees	Chandler Jct.	Dupont	Hillsboro	
Apache	Channing	Eads	Hill Top	
Apgar Spur	Chapman	Earl	Hilton	
Black Hollow	Chemung	Eastlake	Hodgson	
Blandin	Cheraw	Eastonville	Hoehne's	
Blende	Cheyenne	Gallinas	Holly	
Bloom	Wells	Gann	Holyoke	
Boaz	Chico	Garcia	Hope	
Boettcher's	Chicosa Jct.	Gates	Hudson	
Boone	Chivington	Geddis Spur	Huerfano	
Boulder	Church's	Genoa	Hugo	
Boulder Jct.	Water Tank	Giddings	Hurrich	

This grouping was adopted by the carriers at the close of 1908. Prior to this the blanketing of rates was not extended west of certain Missouri River points and did not include the territory between there and the Rocky Mountains nor did it include Southwestern Tariff Committee Territory. At that time the six groups were designated as (1) Missouri River Common Point Territory, (2) Mis-

Mississippi River Common Point Territory, (3) Chicago Common Point Territory, (4) Cincinnati-Detroit Common Point Territory, (5) Pittsburgh-Buffalo Common Point Territory, and (6) New York-Boston Common Point Territory.

The present plan, however, differs but slightly, except in so far as the extension of the system is concerned, from that previously in effect. Under the old system Chicago was shown in Chicago Common Point Territory, while under the present plan Chicago, as a point of origin or destination, is shown as a Group D point. This change was brought about in order to make the tariffs conform to the requirement of the Interstate Commerce Commission prohibiting the use of territorial descriptions to indicate points from and to which rates were applied.

The present method of publishing rates is one of the most satisfactory in the country. Rates made under such a system are generally more equitable and stimulate a healthier trade competition than those made under a graded or mileage scale principle.

A blanket system not only opens up a large market of production to the people on the Pacific slope, but it places the manufacturing and commercial districts, situated at approximately equal distances from the points of consumption, upon the same basis. On the other hand, the California fruit grower, for instance, is enabled to dispose of his products at all markets east of the Mississippi River at the same rate of freight, which would be impossible under any other scheme of rate-making.

Some doubt has existed in the minds of many persons interested in transportation as to the propriety of a carrier, an association, or the Interstate Commerce Com-

mission prescribing rates involving such large areas of territory. In several cases the lower courts have set aside orders of the Commission wherein it has prescribed blanket or zone rates, stating that it had no power, by the use of differentials, to divide up the country artificially into trade zones, tributary to given trade and manufacturing centers so as to give the Commission power to pre-determine what the trade and manufacturing centers should be. In numerous instances, however, these decisions have been carried by the Interstate Commerce Commission to the Supreme Court of the United States, where the verdict of the lower court has been reversed.

This question, however, seems to have been definitely decided for all time by the recent decision of the United States Supreme Court in connection with the so-called Intermountain Rate Case, which decision was delivered June 22, 1914. In this case, the Interstate Commerce Commission divided the portion of the United States east of and including Missouri River Territory into five groups and prescribed rates to intermountain cities therefrom. The carriers, in petitioning the Supreme Court to set aside the order of the lower courts, alleged:

- (a) The absolute want of power of the court below to deal with the subject involved in the complaint because controversies concerning the fourth section of the Act to regulate commerce of the nature here presented were by an express statutory provision excluded from the cognizance of the court below.
- (b) That even if this be not the case the action of the Commission which was complained of was purely negative and therefore not within the cognizance of the court because not inherently justifiable.
- (c) That correctly interpreting the fourth section, the order made by the Commission was absolutely void because wholly beyond the scope of any power conferred by the fourth section as amended.
- (d) That even if in

some respects the order of the Commission was within the reach of its statutory power there was intermingled in the order such an exertion of authority not delegated as to cause the whole order to be void. (e) That the order of the commission was void even if the fourth section be interpreted as conferring the authority which the Commission exerted, since under that assumption the fourth section as amended was repugnant to the Constitution.<sup>2</sup>

The allegations of the carriers were considered by the Supreme Court and its conclusions were as follows:

1. The meaning of the statute.

\* \* \* Power in the carrier primarily to meet competitive conditions in any point of view by charging a lesser rate for a longer than for a shorter haul has ceased to exist, because to do so, in the absence of some authority, would not only be inimical to the provision of the fourth section, but would be in conflict with the preference and discrimination clauses of the second and third sections. But while the public power, so to speak, previously lodged in the carrier is thus withdrawn and reposed in the Commission, the right of carriers to seek and obtain under authorized circumstances the sanction of the Commission to charge a higher rate for a longer than for a shorter haul because of competition or for other adequate reasons is expressly preserved, and, if not, is in any event by necessary implication granted. And as a correlative the authority of the Commission to grant on request the right sought is made by the statute to depend upon the facts established, and the judgment of that body in the exercise of a sound legal discretion as to whether the request should be granted compatibly with a due consideration of the private and public interests concerned, and in view of the preference and discrimination clauses of the second and third sections.

<sup>2</sup> 136—The United States of America, Interstate Commerce Commission et al., Appellants, v. Atchison, Topeka & Santa Fe Railway Co. et al.

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2. The alleged repugnancy of the section as amended to the Constitution.

\* \* \* The argument is that the statute as correctly construed is but a delegation to the Commission of legislative power which Congress was incompetent to make. But the contention is without merit. \* \* \* It is said in the argument on behalf of one of the carriers that as in substance and effect the duty is imposed upon the Commission in a proper case to refuse an application, therefore the law is void, because in such a contingency the statute would amount to an imperative enforcement of the long-and-short-haul clause and would be repugnant to the Constitution. It is conceded in the argument that it has been directly decided by this court that a general enforcement of the long-and-short-haul clause would not be repugnant to the Constitution (*Louisville & N. R. R. Co. vs. Kentucky*, 183 U. S. 503), but we are asked to reconsider and overrule the case and thus correct the error which was manifested in deciding it. But we are not in the remotest degree inclined to enter into this inquiry, not only because of the reasons which were stated in the case itself, but also because of those already expounded in this opinion and for an additional reason, which is that the contention by necessary implication assails the numerous cases which from the enactment of the Act to regulate commerce down to the present time have involved the adequacy of the conditions advanced by carriers for justifying their departure from the long-and-short-haul clause. We say this because the controversies which the many cases referred to considered and decided by a necessary postulate involved an assertion of the validity of the legislative power to apply and enforce the long-and-short-haul clause. How can it be otherwise, since if this were not the case all the issues presented in the numerous cases would have been merely but moot, affording, therefore, no basis for judicial action, since they would have had back of them no sanction of lawful power whatever?

3. The jurisdiction of the court.

The argument on this subject is twofold: (a) That as by the act creating the Commerce Court, that court was endowed

only with the jurisdiction "now possessed by the circuit courts of the United States and the judges thereof" and provided that "nothing contained in this chapter shall be construed as enlarging the jurisdiction now possessed by the circuit courts of the United States or the judges thereof, and is hereby transferred to and vested in the Commerce Court," and as new powers were created by the subsequent amendment of the fourth section, therefore the Commerce Court had no jurisdiction. But we pass any extended discussion of the proposition, because it is completely disposed of by the construction which we have given to the amended section, since that construction makes it clear that the effect of the amended fourth section was not to create new powers theretofore non-existing, but simply to redistribute the powers already existing and which were then subject to review. \* \* \*

(b) The second contention as to jurisdiction yet further affords an illustration of the same mental attitude, since it rests upon the assumption that the order of the Commission refusing to grant the request of the carrier made under the fourth section was purely negative and hence was not subject to judicial inquiry. The contention, therefore, presupposes that the power which from the beginning has been the subject of judicial review by the mere fact of its transfer to the Commission was made arbitrary. Besides, the proposition disregards the fact that the right to petition the Commission conferred by the statute is positive and, while the refusal to grant it may be in one sense negative, in another and broader view it is affirmative, since it refuses that which the statute in affirmative terms declares shall be granted if only the conditions which the statute provides are found to exist. It is, of course, true, as pointed out in *Interstate Commerce Commission vs. Illinois Central Railroad*, 215 U. S. 452, 470, and since repeatedly applied, that findings of fact made by the Commission within the scope of its administrative duties must be accepted in case of judicial review, but that doctrine, as was also pointed out, does not relieve the courts in a proper case from determining whether the Constitution has been violated or whether statutory powers conferred have been transcended or have been exer-

cised in such an arbitrary way as to amount to the exertion of authority not given, doctrines which but express the elementary principle that an investiture of a public body with discretion does not imply the right to abuse, but, on the contrary, carries with it as a necessary incident the command that the limits of a sound discretion be not transcended, which, by necessary implication, carries with it the existence of judicial power to correct wrongs done by such excess. And, without pausing to particularly notice it, we observe in passing that what has been said is adequate to meet the contention that as violations of the fourth section were made criminal no power existed to enjoin an order of the Commission made under that section, because the consequence would be to enjoin criminal prosecution. The right which, as we have seen the act gives to test the validity of orders rendered under the fourth section, is not to be destroyed by a reference to a provision of that section. The two must be harmoniously enforced.

4. The validity of the order in the light of the statute as interpreted.

\* \* \* The main insistence is that there was no power after recognizing the existence of competition and the right to charge a lesser rate to the competitive point than to intermediate points to do more than fix a reasonable rate to the intermediate points, that is to say, that under the power transferred to it by the section as amended the Commission was limited to ascertaining the existence of competition and to authorizing the carrier to meet it without any authority to do more than exercise its general powers concerning the reasonableness of rates at all points. But this proposition is directly in conflict with the statute, as we have construed it and with the plain purpose and intent manifested by its enactment. To uphold the proposition it would be necessary to say that the powers which were essential to the vivification and beneficial realization of the authority transferred had evaporated in the process of transfer, and hence that the power perished as the result of the act by which it was conferred. As the prime object of the transfer was to vest the Commission within the scope of the discretion imposed and subject in the nature of things to the limitations

arising from the character of the duty exacted and flowing from the other provisions of the act with authority to consider competitive conditions and their relation to persons and places, necessarily there went with the power the right to do that by which alone it could be exerted, and therefore a consideration of the one and the other and the establishment of the basis by percentages was within the power granted. As will be seen by the order, and as we have already said, for the purpose of the percentages, established zones of influence were adopted and the percentages fixed as to such zones varied or fluctuated upon the basis of the influence of the competition in the designated areas. As we have pointed out, though somewhat modified, the zones as thus selected by the Commission were in substance the same as those previously fixed by the carriers as the basis of the rate making which was included in the tariffs which were under investigation, and therefore we may put that subject out of view. Indeed, except as to questions of power, there is no contention in the argument as to the inequality of the zones or percentages or as to any undue preference or discrimination resulting from the action taken.

But be this as it may, in view of the findings of the Commission as to the system of rates prevailing in the tariffs which were before it, of the inequalities and burdens engendered by such system, of the possible aggrandizement unnaturally beyond the limits produced by competition in favor of the competitive points and against other points by the tariff in question, facts which we accept and which, indeed, are unchallenged, we see no ground for saying that the order was not sustained by the facts upon which it was based or that it exceeded the powers which the statute conferred or transcended the limits of the sound legal discretion which it lodged in the Commission when acting upon the subject before it.

It results that the Commerce Court in enjoining the order of the Commission was wrong and its decree to that end must therefore be reversed and the case be remanded to the proper district court with directions to dismiss the bill for want of equity.

TABLE 3

LIST OF STATIONS IN OREGON, WASHINGTON, AND BRITISH COLUMBIA TO WHICH RATES NAMED HEREIN APPLY, SHOWING DELIVERING LINES, RATES APPLICABLE, AND WESTERN GATEWAYS VIA WHICH SAID RATES APPLY (EXCEPT AS OTHERWISE SPECIFICALLY SHOWN) <sup>1</sup>

STATIONS	DELIVERING LINES	RATES APPLICABLE		NOTE
		Class Index No. (Except as Noted)	Commodity	
Bellingham, Wash....	A. P. S. S. Co.	2	Terminal	32
Bellingham, Wash....	B. & N.	2	Terminal	32
Bellingham, Wash....	B. L. T. Co.	2	Terminal	32
Bellingham, Wash....	G. N.	2	Terminal	....
Bellingham, Wash....	I. B. S. S. Co.	2	Terminal	32
Bellingham, Wash....	N. P.	2	Terminal	....
Bellingham, Wash....	P. C. S. S. Co.	2	Terminal	32
Bellingham, Wash....	I. N. Co.	2	Terminal	32
Bellingham, Wash....	P. S. N. S. R.	2	Terminal	32
Bellingham, Wash....	B. & N.	2	Terminal	32
(Kentucky Street)		2	Terminal	21, 32
Boat Harbor, B. C....	C. P.	Note 3	Note 3	3, 20
Boat Harbor, B. C....	G. N.	Note 3	Note 3	3, 20, 24
Boat Harbor, B. C....	G. T. P. C. S. S. Co.	Note 3	Note 3	3, 20, 32
Boat Harbor, B. C....	I. N. Co.	Note 3	Note 3	3, 32
Boat Harbor, B. C....	P. S. N. S. R.	Note 3	Note 3	3, 20, 32
Bon Accord, B. C....	G. N.	3	Note 2	2
Bonita, Ore.....	O. E.	2	Note 15	15
Bonita, Ore.....	S. P.	2	Note 14	14
Bremerton, Wash....	F. W. & Co.	Note 13	Note 13	13, 33
Bremerton, Wash....	I. B. S. S. Co.	Note 13	Note 13	13, 33
Bremerton, Wash....	I. N. Co.	Note 13	Note 13	13, 33
Bremerton, Wash....	M. T. Co.	Note 13	Note 13	13, 33
Bremerton, Wash....	N. Y. R.	Note 13	Note 13	13, 33
Bremerton, Wash....	P. S. N. S. R.	Note 13	Note 13	13, 33
Broadacres, Ore.....	O. E.	2	Note 15	15
Broadmead, Ore.....	S. P.	2	Note 14	14
Brush Prairie, Wash.	N. P.	2	Note 1	1
Brunn, Ore.....	O.-W. R. & N.	2	Terminal	20, 30-A
Burlington, Ore.....	C. T. Co.	2	Terminal	....
Burlington, Ore.....	J. K. T. Co.	2	Terminal	....
Burlington, Ore.....	O. R. L. Co.	2	Terminal	....
Burlington, Ore.....	O.-W. R. & N. Stmr.	2	Terminal	....
Burlington, Ore.....	S. P. & S.	2	Terminal	....
Burlington, Ore.....	V. T. Co.	2	Terminal	....
Burlington, Wash....	G. N.	2	Note 1	1
Burlington, Wash....	P. N. T.	2	Note 1	1
Calahan, Ore.....	S. P.	2	Note 8	8
Port Williams, Wash.	B. L. T. Co.	Note 4	Note 4	4, 33
Port Williams, Wash.	I. B. S. S. Co.	Note 4	Note 4	4, 33
Port Williams, Wash.	I. N. Co.	Note 4	Note 4	4, 33
Port Williams, Wash.	P. S. N. S. R.	Note 4	Note 4	4, 33
Powell River, B. C....	B. L. T. Co.	Note 12	Note 12	12, 20, 32
Powell River, B. C....	F. W. & Co.	Note 12	Note 12	12, 20, 32
Powell River, B. C....	K. N. Co.	Note 12	Note 12	12, 20, 32
Ruskin, B. C.....	C. P.	3	Note 2	2
Ruskin, B. C.....	G. N.	3	Note 2	2, 23, 31

<sup>1</sup> These rates have been taken from Trans-Continental Tariff 4-K.

3. GROUPING OF PACIFIC COAST POINTS OF ORIGIN OR  
DESTINATION

The publications of the Trans-Continental Freight Bureau show in each instance a list of the points in Pacific Coast Territory to which or from which rates are applied. The issues show, also, whether the terminal basis of rates is to be employed or whether rates are to be arbitrarily established with relation thereto. Table 3 is illustrative of the manner in which this information is set forth.

## CHAPTER III

### THROUGH RATES

#### 1. CLASS RATES TO AND FROM TERMINAL POINTS

As a foreword to this chapter, attention is drawn to the fact that, irrespective of the point of origin of the traffic, the rates are subject to the Western Classification. This classification is applied regardless of whether the traffic originates at or is destined to points in Southern or Official Classification territories.

This is due to the fact that Chicago and the territory west thereof is governed by the Western Classification, and as the rates are through rates and the major portion of the haul is over western lines, one classification has been adopted for the purpose of uniformity and simplicity.

In the event, however, that the Trans-Continental rates are used in combination with other rates to construct through rates, the rates used in combination with the Trans-Continental rates are applied in conjunction with their governing classification. Thus, for example, should a shipment originate in the southeastern section of the United States and the lowest combination available be via Birmingham, Ala., the rates to Birmingham, if interstate, would be governed by the Southern Classification, while the rates from Birmingham to San Francisco, Cal., would be governed by the Western Classification. Likewise, the rates to some inland Pacific points are made

by adding to the Terminal rates certain local rates therefrom which are governed by state classifications. But in so far as the major part of the territory is concerned, the Western Classification is applied.

Such exceptions to the application of the rates as are made by the participating carriers are specifically set forth in the issues of the Trans-Continental Freight Bureau in connection with the rates, as are also the special rules and regulations pertaining to the traffic, routing, etc. This has resulted in a tariff publication that is much more readily digested by the layman than the average committee issue, now so much in vogue.

#### *(a) All-Rail Rates*

In Table 4 are set forth the westbound class rates applying from all eastern points of origin to North Pacific Coast Terminals in Oregon and Washington.

These rates, as may be observed from Map 7 in the Atlas of Traffic Maps, vary slightly from those in effect to California Terminals from some groups.

The points in British Columbia referred to are located on and adjacent to Puget Sound, some of the representative points being Liverpool, New Westminster, Vancouver, and Victoria. To the British Columbia Terminals, the rates on all classes are made arbitraries of 5 cents per hundredweight over the rates currently in effect from Groups A, B, C, D, E, and H to North Pacific Coast Terminals; from Groups F, G, and J the same rates are applied to North Pacific Coast Terminals and to terminals in British Columbia.



TABLE 4

CLASS RATES APPLYING FROM EASTERN POINTS OF ORIGIN TO  
NORTH PACIFIC COAST TERMINALS IN OREGON AND WASH-  
INGTON AND TERMINALS IN BRITISH COLUMBIA <sup>1</sup>

ITEM	To	FROM POINTS TAKING	RATES IN CENTS PER 100 POUNDS									
			1	2	3	4	5	Classes <sup>2</sup>				
								A	B	C	D	E
1	Points in Oregon and Washington tak- ing Terminal class rates.....	Group A rates.....	370	320	265	225	190	192	152	120	115	105
		Group B rates.....	360	310	260	220	185	187	148	117	112	100
		Group C rates.....	350	303	252	215	180	182	145	115	110	98
		Group D rates.....	340	285	245	207	175	177	140	110	105	95
		Group E rates.....	330	285	238	200	168	172	135	105	102	92
		Group F rates.....	300	260	220	183	160	160	123	95	93	85
		Group G rates.....	300	260	220	183	160	160	123	95	93	85
		Group H rates.....	340 <sup>3</sup>	295 <sup>2</sup>	245 <sup>2</sup>	207 <sup>3</sup>	175 <sup>3</sup>	177 <sup>3</sup>	140 <sup>3</sup>	110 <sup>3</sup>	105 <sup>3</sup>	95 <sup>3</sup>
		Group I rates.....	260	225	190	160	140	140	107	83	80	73
		Group J rates.....	375	325	270	230	195	197	157	125	120	110
2	Vancouver, British Columbia, and points in British Columbia taking the same rates.....	Group A rates.....	365	315	265	225	190	192	153	122	117	105
		Group B rates.....	355	308	257	220	185	187	150	120	115	103
		Group C rates.....	345	300	250	212	180	182	145	115	110	100
		Group D rates.....	335	290	243	205	173	177	140	110	107	97
		Group E rates.....	300	260	220	183	160	160	123	95	93	85
		Group F rates.....	300	260	220	183	160	160	123	95	93	85
		Group G rates.....	300	260	220	183	160	160	123	95	93	85
		Group H rates.....	345 <sup>3</sup>	300 <sup>3</sup>	250 <sup>3</sup>	212 <sup>3</sup>	180 <sup>3</sup>	182 <sup>3</sup>	145 <sup>3</sup>	115 <sup>3</sup>	110 <sup>3</sup>	100 <sup>3</sup>
		Group I rates.....	260	225	190	160	140	140	107	83	80	73
		Group J rates.....	375	325	270	230	195	197	157	125	120	110

<sup>1</sup> These rates have been taken from Trans-Continental Tariff<sup>2</sup> Governed by the current Western Classification.<sup>3</sup> Advance.

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*(b) Class Rates via Lake-and-Rail Routes*

The application of the class rates in connection with the lake lines is confined to traffic originating at all points located in Connecticut, Delaware, the District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, and at specified stations in Michigan, Ohio, Virginia, and West Virginia, and the territory embracing Groups A, B, and a portion of C.

The differentials conceded the lake lines by the all-rail routes are shown in Table 5.

These differentials are deducted from the joint all-rail through class or commodity rates named in the table from points taking Group A (see Exception C, below the table), Group B, or Group C rates to points taking Terminal rates.

The differentials, in cents per 100 pounds, authorized to be deducted from the joint all-rail through class or commodity rates applying to points taking Terminal rates, also are deducted from the joint through all-rail class or commodity rates applying from points in Group A (see Exception C, below the table), Group B, or Group C to points in Oregon, Washington, and British Columbia, for the same class of commodity.

TABLE 5  
DIFFERENTIAL RATES VIA LAKE AND RAIL <sup>1</sup>

Where Through All-Rail Group A (See Exception C below), Group B, or Group C Class or Commodity Rate to POINTS TAKING TERMINAL RATES IS (See Exceptions and Notes below)	DIFFERENTIAL to be deducted from authorized through all-rail rate is
Rates in Cents per 100 Pounds	
Less than 75 cents.....	4½ cents
75 to 79 cents, inclusive.....	
80 to 84 cents, inclusive.....	5½ cents
85 to 89 cents, inclusive.....	6½ cents
90 to 94 cents, inclusive.....	7½ cents
95 to 99 cents, inclusive.....	8½ cents
100 to 109 cents, inclusive.....	8½ cents
110 to 119 cents, inclusive.....	9½ cents
120 to 129 cents, inclusive.....	10 cents
130 to 139 cents, inclusive.....	11 cents
140 to 149 cents, inclusive.....	12 cents
150 to 159 cents, inclusive.....	13 cents
160 to 169 cents, inclusive.....	14 cents
170 to 179 cents, inclusive.....	15 cents
180 to 189 cents, inclusive.....	15 cents
190 to 199 cents, inclusive.....	15 cents
200 to 209 cents, inclusive.....	16 cents
210 to 219 cents, inclusive.....	17 cents
220 to 229 cents, inclusive.....	18 cents
230 to 239 cents, inclusive.....	18 cents
240 to 249 cents, inclusive.....	19 cents
250 to 259 cents, inclusive.....	19 cents
260 to 269 cents, inclusive.....	20 cents
270 to 279 cents, inclusive.....	21 cents
280 to 289 cents, inclusive.....	22 cents
290 to 299 cents, inclusive.....	22 cents
300 or over.....	23 cents

EXCEPTION A.—When through rate on commodities enumerated under headings "Iron and Steel Articles" and "Wire Goods" is \$1.00 per 100 lbs., or higher, the differential is the regular differential provided above; when such through rate is less than \$1.00 per 100 lbs., the differential is 4½ cents per 100 lbs.

EXCEPTION B.—The lake-and-rail differential to be deducted from the authorized through all-rail rate on canned goods, carloads, is 5 cents per 100 lbs.

EXCEPTION C.—Does not apply from New York Pier of Southern Pacific Co.-Atlantic Steamship Lines (Morgan Line).

<sup>1</sup> These differentials are taken from Trans-Continental Tariff 4-K.

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NOTE 1.—Lake-and-rail rates to points in British Columbia taking Note 2 basis for rates,<sup>2</sup> are subject to additional rates over points taking Terminal rates as provided in Note 2.<sup>3</sup>

NOTE 2.—Lake-and-rail rates to points in Oregon and Washington taking Note 1, 4, 6, 7, or 13, basis for rates,<sup>2</sup> for commodities other than those for which through rates are named are subject to addition of arbitraries (over the lake-and-rail rates) applying to points taking Terminal rates, as provided in the aforesaid notes.<sup>3</sup>

NOTE 3.—The differential lake-and-rail rates applying via the Gateways apply only to such points that can be reached by the destination lines indicated.

NOTE 4.—The differential lake-and-rail rates authorized herein do not apply on the following commodities, viz.: Chloride of lime (except as otherwise provided), oil, sweat and collar pads, harness pads (not leather), tin, and terne plate.

As an illustration of the working of these differentials, class rates from Groups A, B, and C are constructed in the following manner:

Classes	1	2	3	4	5	A	B	C	D	E
All-rail rates from										
Group A	370	320	265	225	190	192	152	120	115	105
Lake-and-rail dif-										
ferentials	23	23	20	18	15	15	13	10	9½	8½
Through rates via										
lake and rail	347	297	245	207	175	177	139	110	105½	96½
Classes	1	2	3	4	5	A	B	C	D	E
All-rail rates from										
Group B	360	310	260	220	185	187	148	117	112	100
Lake-and-rail dif-										
ferentials	23	23	20	18	15	15	12	9½	9½	8½
Through rates via										
lake and rail	337	287	240	202	170	172	136	107½	102½	91½
Classes	1	2	3	4	5	A	B	C	D	E
All-rail rates from										
Group C	350	303	252	215	180	182	145	115	110	98
Lake-and-rail differ-										
entials	23	23	19	17	15	15	12	9½	9½	8½
Through rates via										
lake and rail	327	280	233	198	165	167	133	105½	100½	89½

<sup>2</sup> See Table 3.

<sup>3</sup> See explanation of notes, page 37.

These rates are available for use only during the season of navigation upon the Great Lakes and are applied to North Pacific Coast Terminals and related points.

*(c) Water-and-Rail Rates via South Atlantic and Gulf Ports*

The water-and-rail routes through the South Atlantic and Gulf ports formerly published class and commodity rates from New York, N. Y., and other points in Atlantic Seaboard Territory which were less in all cases than the rail rates applying from the same territory.

Under the present adjustment, however, the rates via these routes are the same as the all-rail rates, in so far as class traffic is concerned, while on commodities the same rates as those established from Chicago (Group D) are made by the water lines from New York, these rates applying only from their piers in New York harbor. The competition existing between the rival routes is well expressed in the rates on steel rails from various producing points to California Terminals, as shown in Table 6.

From this it may be seen that the rates via the Gulf lines and South Atlantic Port lines are fixed or made the same as those applying from Chicago (Group D). The rates from New York then in turn fix the maximum rates that may be charged by the rail carriers from other producing points. The rates from Cumberland, Md., for example, may not exceed to any great extent the combination rates made on New York in connection with the \$11 per ton rate therefrom, while from points in closer proximity to New York, the rail carriers do not attempt to meet the competition, but hold the rates up to a normal

FREIGHT RATES—WESTERN TERRITORY

TABLE 6

SPECIAL COMMODITY RATES APPLYING FROM EASTERN POINTS OF ORIGIN TO CALIFORNIA TERMINALS

ARTICLES		TO CALIFORNIA TERMINALS FROM POINTS BELOW									
RAILS (STEEL), INCLUDING MIN- ING RAILS, CROSS TIES (STEEL), AND SAW MILL TRACK, MIN. C. L. WT. 60,000 LBS., EXCEPT WHERE LENGTH OF RAILS RE- QUIRES TWO OR MORE CARS, IN WHICH CASE THE MIN. C. L. WT. IS 40,000 LBS. FOR EACH CAR USED.	Taking Group A rates	Bethle- hem, Pa.	Johns- town, Pa.	Altoona, Pa.	Donora, Pa.	Lorain, South Ohio	Vicksburg, Miss.	Taking Group D rates	Taking Group E rates	Taking Group F or Group G rates	Denver, Minne- sota, Pueblo, Colo.
		Philadelphia, Pa.	Philadelphia, Pa.	Philadelphia, Pa.	Girard, Pa.	Newark, Pa.	Miss.				
	\$11.00 <sup>1</sup> Per ton 2,240 lbs.	\$14.00 Per ton 2,240 lbs.	\$13.70 Per ton 2,240 lbs.	\$12.50 Per ton 2,240 lbs.	\$13.10 Per ton 2,240 lbs.	\$11.00 Per ton 2,240 lbs.	\$11.00 Per ton 2,240 lbs.	\$11.00 Per ton 2,240 lbs.	\$11.00 Per ton 2,240 lbs.	\$9.00 Per ton 2,240 lbs.	

<sup>1</sup>Data named applies only from New York Biers of Southern Pacific Co., Atlantic Steamship Lines (Moran Line), Mallory Steam-

## TRANS-CONTINENTAL RATES

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ARTICLES	RATES IN CENTS PER 100 POUNDS													
	To California Terminals from Points Taking													
	Group A rates	Group B rates	Group C rates	Group D rates	Group E rates	Group F rates	Group G rates	Group H rates	Group J rates					
	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.
RAIL FASTENINGS, VIZ.: ANGLE BARS, FISH BARS, RAIL JOINTS, RAIL JOINT SPICE BARS, BASE PLATES, FROG FILL- ERS, TIE PLATES, TIE RODS, TRACK SPIKES, TRACK BOLTS, TRACK NUTS, RAIL BRACES, RAIL CHAIRS, ANTI-RAIL CREEP- ERS, AND STEEL CLIP FASTEN- INGS FOR STEEL TIES, MIN. C. L. WT. 60,000 LBS.	125	67½ <sup>2</sup>	125	67½	125	67½ <sup>3</sup>	125	55	125	55	125	55	125	55
NOTE.—R a i l s, Cross Ties (Steel), and Cross Tie Fas- tenings and Rail Fastenings, when shipped in mixed car- loads, take the carload rate provided for each. When the aggregate weight of a mixed carload shipment does not amount to 60,000 lbs., add to the weight of the heaviest loaded article in the shipment sufficient to make minimum weight 60,000 lbs., except that when the shipment con- sists of an equal amount of Rails and Fastenings, etc., the weight sufficient to make minimum weight of 60,000 lbs., is added to the weight of the lowest rated article.														

<sup>2</sup> Rate from New York Piers of Southern Pacific Co.-Atlantic Steamship Lines (Morgan Line), Mallory Steamship Co., and Old Dominion Steamship Co., is 55 cents per 100 lbs.

<sup>3</sup> Rate from Vicksburg, Miss., is 55 cents per 100 lbs.

basis. A combination rate from Philadelphia made by way of New York would in this case produce a rate less than the through rate published by the all-rail lines.

## 2. MARINE INSURANCE

In regard to the rates applying in connection with water carriers, particular attention should be paid as to whether the rates include or do not include marine insurance.

The rates applying via the lake lines and via the Old Dominion Steamship Company, the Morgan Line, and the Mallory Line, are insured rates and include the cost of marine insurance, while the rates via the Isthmus of Tehuantepec, Panama, and Cape Horn do not include this feature and shippers must arrange to insure their shipments against the perils of the sea and navigation.

This charge varies according to the vessel in which it is transported and the route taken. Rates of insurance on shipments forwarded by sailing vessels around Cape Horn would naturally call for the highest premium.

In the case of established lines, shipments are insured under what is known as an open policy and the rates are quite nominal, being as low as 15 cents per \$100 valuation.

## 3. ARBITRARY RATES

Rates to a number of points within a comparatively short distance from Terminal Points proper are made by adding fixed sums to the Terminal rates. Table 3 indicates the grouping of some of the western points of destination and page 37 contains note numbers illustrating the method employed in establishing rates to such western



points. By referring to Table 3, it may be noted that in connection with the class rates to Bremerton, Wash., reference is made to Note 13. Referring to Note 13, explained on page 38, it is found that the class rates to this point are constructed by adding 10 cents per hundredweight to the less-than-carload rates and 5 cents per hundredweight to the carload rates applying to the North Pacific Coast Terminals, shown in Item 1 of Table 4. Particular attention is directed to that feature of the note which provides a graduated increase in the arbitrary to be added, based on the weight of the individual shipment.

EXPLANATION OF NOTES TO WHICH REFERENCE IS MADE IN  
TABLE 3

NOTE 1.—Except where through commodity rates are named on page 159, pages 161 to 169, pages 189, 190 and 193, all inclusive, through commodity rates to points in Oregon and Washington, shown on pages 20 to 41, inclusive, as taking Note 1 basis for rates are (unless otherwise specifically provided) ten (10) cents per 100 lbs. on less than carloads and five (5) cents per 100 lbs. on carloads higher than the Terminal commodity rates named herein.

NOTE 2.—Except where through commodity rates are named on page 159, pages 161 to 169, 188, 193 and 194, all inclusive, through commodity rates to the points in British Columbia, shown on pages 20 to 41, inclusive, as taking Note 2 basis for rates are five (5) cents per 100 lbs. on carloads and less than carloads higher than the Terminal commodity rates named herein.

NOTE 3.—Except as otherwise provided, rates to points in British Columbia shown on pages 20 to 41, inclusive, as taking Note 3 basis for rates, are made by adding ten (10) cents per 100 lbs. on carloads, and twenty (20) cents per 100 lbs. on less than carloads, to the Index 2 class rates, or to the Terminal commodity rates named herein.

NOTE 4.—Rates to points shown on pages 20 to 41, inclusive, as taking Note 4 basis for rates, are made by adding five (5) cents per 100 lbs. on carloads and ten (10) cents per 100 lbs. on less than carloads, to the Index 2 class rates or to the Terminal commodity rates named herein.

NOTE 6.—Rates to points shown on pages 20 to 41, inclusive, as taking Note 6 basis for rates, are made by adding ten (10) cents per 100 lbs. on carloads and fifteen (15) cents per 100 lbs. on less than carloads, to the Index 2 class rates, or to the Terminal commodity rates named herein.

NOTE 7.—Rates to points shown on pages 20 to 41, inclusive, as taking Note 7 basis for rates, are made by adding ten (10) cents per 100 lbs. on carloads and twenty-five (25) cents per 100 lbs. on less than carloads, to the Index 2 class rates, or to the Terminal commodity rates named herein.

NOTE 8.—Points on Southern Pacific Co. (Lines in Oregon), shown on pages 20 to 41, inclusive, as taking Note 8 basis for rates, are subject to through commodity rates shown on page 159 and pages 171 to 186, inclusive.

NOTE 12.—Rates on carload traffic to Powell River, B. C., via Gateway 42, are  $7\frac{1}{2}$  cents per 100 lbs. higher than rates provided herein to Vancouver, B. C., and apply on traffic via car ferry service in connection with Kingcome Navigation Co., via Seattle, Wash.

Rates on carload traffic to Powell River, B. C., via Gateways 23, 23-A, 23-B, 23-C, 42-A, 42-B, 42-C, 42-D, 42-E, 88-B, 88-C, and 88-D, are  $7\frac{1}{2}$  cents per 100 lbs. higher than rates provided herein to Vancouver, B. C.

NOTE 13.—Rates to points shown on pages 20 to 41, inclusive, as taking Note 13 basis for rates, are made by adding:

(A) Ten (10) cents per 100 lbs. for less than carloads and five (5) cents per 100 lbs. for carloads (see Section B), to the Index No. 2 class rates, or to the Terminal commodity rates named herein. EXCEPT—

When the weight of any single

piece or package is—

Arbitrary to be added—

1,001 lbs. to 2,000 lbs., inc.....	15 cents per 100 lbs.
2,001 lbs to 10,000 lbs., inc.....	20 cents per 100 lbs.
10,001 lbs. to 25,000 lbs., inc.....	30 cents per 100 lbs.
25,001 lbs. to 39,999 lbs., inc.....	40 cents per 100 lbs.
40,000 lbs. to 59,999 lbs., inc.....	50 cents per 100 lbs.
60,000 lbs. to 79,999 lbs., inc.....	60 cents per 100 lbs.
80,000 lbs. to 89,999 lbs., inc.....	70 cents per 100 lbs.
90,000 lbs. to 99,999 lbs., inc.....	90 cents per 100 lbs.

(B) Carload shipments handled by car ferry service of the Island Belt Steamship Co., from Anacortes, Bellingham, Seattle, or South Bellingham, Wash., Navy Yard Route, Puget Sound Naval Station Route, or the Inland Navigation Co., from Seattle, Wash., to Bremerton, Charleston, or Port Orchard, Wash., are charged for on basis of five (5) cents per 100 lbs., regardless of size or weight of any single piece or package.

NOTE 14.—If the rates named in this tariff, applying from points of origin to Portland or East Portland, Ore., plus the arbitraries shown below to points of destination make less than the through rates authorized in this tariff, the combination rates so made apply.

#### 4. COMMODITY RATES

Table 7 is a reproduction of a specimen page of one of the Trans-Continental issues, showing all-rail rates on various commodities from eastern points of origin to California Terminals. The application of these rates is identical with that of the class rates. At this point it may be stated that the bulk of the traffic moving to the Pacific coast is handled under the commodity rates. The publications of the Trans-Continental Freight Bureau show that there are at this time some 1,500 ratings on

specific commodities. Only such articles as general merchandise moving in small quantities or traffic which is not subject to water competition is carried on the class-rate basis.

#### 5. CLASS RATES ON EASTBOUND TRANS-CONTINENTAL TRAFFIC

The grouping of the eastern part of the United States for destination territories on traffic originating at or adjacent to North Pacific Coast Terminals is, in general, the same as that employed on westbound traffic. The bulk of the traffic from California and other western states may be assigned to the three following divisions: Products of agriculture, products of the forest, and products of the mines. The first division, which includes the movement of California fruits, and the second, which includes Oregon and Washington lumber, have assumed wonderful proportions in recent years. The volume of export and import traffic through Pacific coast points also shows substantial increase from year to year.

The proposition confronting the carriers was to adjust their rates so as to enable the producer in Western Territory to find a market for his product, which greatly exceeds the demand for local consumption.

They accomplished this by publishing eastbound an adjustment similar to that carried westbound, namely, blanket rates, which enabled California shippers to reach all markets by one rate and thus compete with commodities that might be produced locally in the vicinity of that market. In the movement of eastbound traffic, liberal reconsigning privileges are granted which enable the shipper to test or to try various markets without addi-

ALL-RAIL COMMODITY RATES FROM EASTERN POINTS OF ORIGIN  
TO CALIFORNIA TERMINALS

TO  California Terminals  ARTICLES  Minimum Weight, Carloads, 30,000 lbs., except as otherwise provided.	IN CENTS PER HUNDRED POUNDS																	
	FROM POINTS TAKING																	
	GROUP A RATES		GROUP B RATES		GROUP C RATES		GROUP D RATES		GROUP E RATES		GROUP F RATES		GROUP G RATES		GROUP H RATES		GROUP J RATES	
	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.	C.L.
SHOE FINDINGS, viz.—Continued.																		
Shoe Laces, boxed.....	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240
Shoe Nails, Shoe Tacks and Steel Shanks, boxed.....	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
Slipper Soles (fleece-lined), Com- pressed Wool Insoles and Cork In- soles, in boxes.....	260	260	260	260	260	260	260	260	260	260	260	260	260	260	260	260	260	260
Shot, in bags.....	125	75	125	75	125	75	125	75	125	75	125	75	125	75	125	75	125	75
Silica (pulverized), or Silica, and Pumice Powder, in bags, min. C. L. wt. 60,000 lbs.....							50	50	50	50	50	50	50	50	50	50	50	50
Silicated Cloth (for Blackboards), boxed.....	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160
Skids.....	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190
Slate Roofing, N. O. S., min. C. L. wt. 40,000 lbs.....	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80
Skates, School, boxed.....	125	85	135	85	135	85	125	85	135	85	135	85	135	85	135	85	135	85
SOAP, Soap Chips and Soap Powder, in boxes or bags, and Scouring, Washing, Polishing and Sweeping Compounds, N. O. S. (not including Liquid Com- pounds, except when in metal cans, boxed), also Washing Crystals, in boxes or bags, min. C. L. wt. 40,000 lbs.....	130	80	130	80	130	80	130	80	130	80	130	80	130	80	130	80	130	80
Soapstone, N. O. S.....																		
Soapstone Dust, in bags.....	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175	175
Soapstone Slabs and Grids, boxed.....																		
Soda Ash (may be shipped in sacks or in bulk), Soda Crystals, Caustic Soda and Hypo-Sulphate of Soda, Hypo- Sulphite of Soda, Nitrate of Soda (may be shipped in sacks), Silicate of Soda (may be shipped in sacks), and Sulphate of Soda, Sulphide or Sodium and Chlor- ide of Lime may be shipped in casks), and Tallow Bleach; in kegs, boxes or iron drums, min. C. L. wt. 40,000 lbs.....	*	*	63	55	55	55	55	55	55	55	55	55	55	55	55	55	55	55
*Carload shipments will be subject to the local rate to New York. Here or to points inland, Group D or Group E rates, plus the railroad rate herein named from New York to points taking Group D or Group E rates to destina- tion. †Rate from New York will not apply on ship- ments in bulk.																		
Soda Fountain Supplies, viz.: Syrup, Fruits (crushed or whole), and Fruit Juices, when packed in wood, glass, or earthenware, boxed.....	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150
Solder, min. C. L. wt. 40,000 lbs.....	125	80	125	80	125	80	125	80	125	80	125	80	125	80	125	80	125	80
Speedometers and Cyclometers, boxed..	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600
Spices, N. O. S., including Cassia, Cloves, Ginger, Nutmegs, Pepper, (whole or ground), Celery Salt, Onion Salt, Celery Seed, Coriander, Cummin and Caraway Seeds and Ground Sage, in boxes or bags, min. C. L. wt. 24,000 lbs.....	170	125	170	125	170	125	170	125	170	125	170	125	170	125	170	125	170	125

tional expense. This is probably best illustrated in connection with the orange movement, cars being frequently reconsigned six or seven times before they are finally disposed of. For example, a shipper may consign a car to Denver and upon its arrival there the market may be glutted. Under the provisions of the Trans-Continental Freight Association, he is permitted to reassign the car to Kansas City and if the same conditions prevail there, he may reassign it to St. Louis, and so on until the car is eventually disposed of, provided that no back-haul movement is required.

The class rates applying from the California Terminals to Eastern destinations are reproduced in Table 8.

TABLE 8

CLASS RATES APPLYING FROM CALIFORNIA TERMINALS TO  
EASTERN DESTINATIONS <sup>1</sup>

FROM CALIFORNIA TERMINALS TO GROUPS TAKING	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>2</sup>									
	1	2	3	4	5	A	B	C	D	E
Group A rates.....	370	320	265	225	190	192	152	120	115	105
Group B rates.....	360	310	260	220	185	187	148	117	112	100
Group C rates.....	350	303	252	215	180	182	145	115	110	98
Group D rates.....	340	295	245	207	175	177	140	110	105	95
Group E rates.....	330	285	238	200	168	172	135	105	102	92
Group F rates.....	300	260	220	183	160	160	123	95	93	85
Group G rates.....	280	242	205	170	150	150	115	90	87	78
Group H rates.....	280	242	205	170	150	150	115	90	87	78
Group J rates.....	260	225	190	160	140	140	107	83	80	73

<sup>1</sup> These rates have been taken from Trans-Continental Tariff 3-K.

<sup>2</sup> Governed by the Western Classification.

As was the case in connection with the westbound rates, the volume of traffic moving under class rates is very small, owing to the fact that the articles which move in large volumes, viz., fresh and dried fruits and vegetables,

TABLE 9

TERMINAL COMMODITY RATES APPLYING FROM CALIFORNIA TERMINALS TO EASTERN POINTS OF DESTINATION <sup>1</sup>

FROM California Terminals (Only)*  ARTICLES  Minimum Weight, Carloads, 30,000 lbs., except as otherwise provided.	IN CENTS PER HUNDRED POUNDS.											
	TO POINTS TAKING											
	GROUP A RATES	GROUP B RATES	GROUP C RATES	GROUP D RATES	GROUP E RATES	GROUP F RATES	GROUP G RATES	GROUP H RATES	GROUP I RATES	GROUP J RATES	GROUP K RATES	GROUP L RATES
	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.
<b>G</b>												
Glue, in bags .....	85		85		85		85		85		85	
Glycerine, in barrels .....	75		75		75		75		75		75	
<b>H</b>												
Hides, Dry, including Deer Hides, Sheep Skins, Hair Seal, Sheep Pelts and Goat Pelts, Dry, in bales, min. C. L. wt. 20,000 lbs .....	130		130		130		130		130		130	
<b>I</b>												
Ink, boxed, or in bulk in barrels .....	100		100		100		100		100		100	
Insulators, Glass (subject to Item 45, page 76) .....	125	90	125	90	125	90	125	90	125	90	125	90
<b>M</b>												
Metal Paper Towel Holders, in boxes, min. C. L. wt. 24,000 lbs. ....	220	165	225	165	225	165	225	165	225	165	225	165
Metal Parts (defective), of self-pro- pelling Vehicles, returned to fac- tories .....	320		340		305		235		260		242	
<b>MUSICAL INSTRUMENTS, viz.:</b> Organs and Pianos, boxed, min. C. L. wt. 12,000 lbs .....	260		290		230		200		200		200	
Pipe Organs, K. D., min. C. L. wt. 12,000 lbs .....	290		260		200		230		200		200	
Mustard Flour, in bags .....	100		100		100		100		100		100	
<b>O</b>												
OIL, in cans boxed, or in bulk in bar- rels, or in bulk in tank cars, except as otherwise provided; min. C. L. wt. when in cans boxed, or in bulk in barrels will be 40,000 lbs., and when in bulk in tank cars (see Rule 30), as follows:												
Cocoanut (crude), in barrels .....					50		50		50		50	
Oil, Cocoanut (crude), in tank cars (see Rule 30) .....					* 55		55		55		55	
Fish, N. O. S., including Whale Oil	70		70		* 70		70		70		70	
Neatsfoot .....	90		90		* 90		90		90		90	
Red .....	90		90		* 90		90		90		90	
Tallow, in tank cars .....	90		90		* 90		90		90		90	

\*Rates named to New York Pier of Southern Pacific Co.-Atlantic Steamship Lines (Morgan Line), Mallory Steamship Co. and Old Dominion Steamship Co. will not apply on shipments in tank cars.

<sup>1</sup> These rates have been taken from Trans-Continental Tariff 3-K.

canned goods, fish, hides, wool, honey, oil, lumber, wines, and liquors, are accorded commodity rates.

#### 6. EASTBOUND COMMODITY RATES

The rates applying on some of the more important commodities are shown in Table 9.

The principal commodities from which Trans-Continental railroads derive their revenue are the products of the forest. The lumber rates which are shown from North Pacific Coast Terminal Points to Eastern destinations are somewhat lower than those established from South Pacific Coast Terminal Points. This is due principally to the fact that the northern lines, in casting about some years ago to find tonnage for their empty freight equipment on the coast, finally succeeded in lowering the lumber rate to Chicago to 55 cents per hundredweight. This rate was low enough to enable them to attract a very substantial movement eastward and afford a return loading for their equipment.

The South Pacific lines, however, did not face these conditions. Their principal reason for not adjusting their rates in line with those of the North was because they had return loading for their equipment of two or three commodities, which have always moved to the East in great quantities, viz., fresh, dried, and canned fruits, asphaltum, wool, hides, and pelts.

The rates on lumber and shingles from South Pacific Coast Terminals to Eastern destinations are as follows:

Classes .....	A	B	C	D	E	F	G	H	J
Rates on lumber.....	75	80	75	60	55	50	50	50	40
Rates on shingles.....	80	85	80	65	60	60	60	60	50



The rates from the North Pacific Coast Terminals to Chicago are 55 cents per hundredweight on lumber and 65 cents per hundredweight on shingles. A peculiarity in connection with the rates from the North Pacific Coast Terminals is that the minimum weight to be used in connection with this rate is based on the cubical capacity of the car. Graduated minimum weights are provided, which range from 22,000 pounds on shingles and 31,000 pounds on lumber for cars of 1,550 feet cubical capacity up to 41,500 pounds on shingles and 60,000 pounds on lumber for cars of 2,951 feet cubical capacity and over.

The cubical capacity of some cars is stenciled thereon. When this information is not shown, however, the cubical capacity may be obtained by multiplying the inside length of the car measured along the floor by the inside width measured along the floor and then multiplying this result by the inside height measured from the floor to the under side of the rafters inside of the car.

## CHAPTER IV

### LOCAL RATES

#### 1. LOCAL RATES IN PACIFIC FREIGHT TARIFF BUREAU TERRITORY

Before entering into a discussion of the construction of rates to Intermediate Points, it is necessary to become acquainted with the basis for the construction of local rates employed in this territory.

Within comparatively recent years the carriers operating in Far Western Territory established the traffic association known as the Pacific Freight Tariff Bureau for the purpose of rate publication.

This territory is indicated on Map 1 in the Atlas of Traffic Maps and approximates an area equivalent to almost one third of the entire United States. The chairman of this association publishes the joint and proportional rates of the lines operating between all local, joint, and California points in this territory.

These rates were formerly used to a great extent in arriving at the through rates from Eastern Points of origin and were known as the back-haul rates, their use being further explained in the chapter devoted to the construction of rates to Intermediate Territory.

#### 2. BETWEEN STATIONS IN CALIFORNIA ON ONE HAND AND STATIONS IN ARIZONA AND NEVADA ON THE OTHER

Table 10 is a reproduction of a specimen page of one of the issues of this association, showing the class rates applying between San Francisco, Marysville, Mojave, Santa Barbara, and other stations in California on the

Southern Pacific Railroad on the one hand and stations in Arizona located on the Arizona Eastern Railroad (Maricopa & Phoenix Railroad and Phoenix & Eastern Railroad) on the other hand.

TABLE 10  
CLASS RATES—EASTBOUND AND WESTBOUND

BETWEEN S. P. R. R. <sup>2</sup> San Francisco.....Cal. Marysville ..... " Mojave ..... " Santa Barbara..... " And points taking the same rates AND	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
M. & P. R. R. <sup>3</sup>										
Sacaton, Ariz.....	210	174	154	140	113	122	99	88½	75½	73
Alicia, Ariz.....	213	177	157	142	116	125	100	90½	76½	74
Hansen Junction, Ariz.	217	181	161	146	119	128	103	93½	79½	76
Helena, Ariz.....	219	183	163	148	120	129	105	94½	80½	77
Peterson, Ariz.....	220	185	164	149	121	130	106	95½	81½	78
Tempe, Ariz.....	223	188	167	151	124	133	107	97½	82½	79
Kendall, Ariz.....										
Phoenix, Ariz.....										
Creamery, Ariz.....										
P. & E. R. R. <sup>4</sup>										
Tempe, Ariz.....	223	188	167	151	124	133	107	97½	82½	79
Frankenburg, Ariz....										
Mesa, Ariz.....										
McQueen, Ariz.....										
Gilbert, Ariz.....	223	188	167	151	124	133	107	97½	82½	79
Higley, Ariz.....										
Queen Creek, Ariz.....										
Webster, Ariz.....										
Florence, Ariz.....	228	193	172	155	128	137	110	100½	85½	82
Alta, Ariz.....										
Price, Ariz.....										
Cochran, Ariz.....										
Butte, Ariz.....	238	202	181	164	135	144	117	106½	90½	86
Zellweger, Ariz.....	240	204	183	165	137	146	118	107½	91½	87
Wooley, Ariz.....	241	205	183	166	138	147	118	108½	91½	88
Kelvin, Ariz.....	243	207	185	168	139	148	120	109½	92½	89
Riverside, Ariz.....	244	209	187	169	140	149	121	110½	93½	89
Ehrman, Ariz.....	244	209	187	169	140	149	121	110½	93½	89
Branaman, Ariz.....	248	212	190	172	143	152	123	112½	95½	91
Burns, Ariz.....	249	212	190	172	143	152	124	113½	96½	92
Winkelman, Ariz.....	251	214	191	173	143	153	125	114½	97½	93

<sup>1</sup> Governed by the Western Classification.

<sup>2</sup> Southern Pacific Railroad.

<sup>3</sup> Maricopa & Phoenix Railroad. Now the Arizona Eastern Railroad.

<sup>4</sup> Phoenix & Eastern Railroad. Now the Arizona Eastern Railroad.

In no other section of the United States are main-line rates on as high a scale as those in this territory. The class rates formerly maintained by the Southern Pacific Railroad from Sacramento, Cal., to Reno, Nev., a distance of 154 miles, were as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	129	113	102	87	78	78	34	33½	25½	25½

The carriers defended this high scale of rates on the plea of the high cost of operation and maintenance. The construction of the railroad was an item of great importance, involving the expenditure of vast sums of money. In many places it was necessary to blast away solid masses of rock and to tunnel mountains, while in exposed places it was necessary to build miles and miles of snow sheds in order to protect passing trains from slides and so on. Moreover, the grades are exceptionally steep and it is necessary to employ more engines of greater motive power than are required in other sections of the country.

In the issue dealing with the rates from Sacramento to Reno, it was stated that the haul of 154 miles in this territory was equivalent to a haul of 444 miles in other territories.

While both east and west of the Sierra Nevada range of mountains are level plateaus, where the cost of operation and other characteristics do not differ greatly from those in other sections of the country, the operating cost in the mountainous regions must be distributed over these systems as a whole. It would not be fair to single out just the mountainous part of the road and apply rates based on the cost of operation therein, as this would re-

sult in rates which would be prohibitive, to say the least. This distribution accounts for the high scale of local rates employed throughout this territory.

### 3. MAXIMUM RATES

Maximum rates were prescribed on the line of the Southern Pacific Railroad from Sacramento, Cal., to Salt Lake City, Utah, on the following basis: To Reno, Nev., and all stations east thereof up to and including Lovelock, the rates are not to exceed the following figures:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	85	71	64	51	43	43	34	28	25	21

To stations east of Lovelock to and including Elko, Nev., the rates are not to exceed the following figures:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	115	96	86	69	57½	57½	46	38	34½	29

To stations east of Elko to and including Cecil Junction, Utah, the latter point being one mile west of Ogden, the rates are not to exceed the following figures:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates .....	154	128	150½	92	77	77	62	51	46	38½

The distances involved in this adjustment are:

From Sacramento, Cal., to Reno, Nev.....	154 miles
From Sacramento, Cal., to Lovelock, Nev.....	255 miles
From Sacramento, Cal., to Elko, Nev.....	467 miles
From Sacramento, Cal., to Cecil Junction, Utah...	692 miles

By comparing these rates with the scale rates of Central Freight Association Territory and rates made under the percentage system between Trunk Line and New England territories on the one hand and Central Freight Association Territory on the other, it will be seen that the above rates are on a much higher relative basis and

that the Commission must have taken cognizance of the carriers' claim in establishing these rates as the maximum.

#### 4. FROM NORTH PACIFIC COAST TERMINALS TO INTERIOR POINTS

The rates from the North Pacific Coast Terminals, while not on as high a scale as those in the preceding illustration, are nevertheless much higher than those employed in other sections of the country. A representative line of mileage rates is indicated in Table 11.

These rates were likewise subject to investigation by the Interstate Commerce Commission and at the hearing many jobbers and manufacturers located in the North Pacific Coast Terminal cities offered testimony to illustrate at what distance from their locations they could compete with eastern manufacturers and jobbers in the merchandising of their goods. The exhibits tended to show that the distance varies according to the nature of the products. For example, a fabricator of steel testified that the sale of goods of that character manufactured in Portland is in a general way limited to territory about two hundred miles east of that point, one hundred miles north, and half way to San Francisco on the south; so far as the jobbers and wholesale merchants in the three cities are concerned, their field is confined to about one hundred miles west of Spokane and east on the Oregon Railroad & Navigation Company and Oregon Short Line Railroad as far as Arcadia, which is about midway between Portland and Salt Lake City. In general, it appeared, with certain exceptions, that the coast jobbers could sell their goods in competition with eastern

manufacturers and jobbers about to the eastern boundary of Washington and Oregon. For example, Portland can sell to points about half way to Salt Lake City. East of there on the Oregon Short Line Railroad the Salt Lake City jobber has the advantage in freight rates.

### 5. SOURCES OF TRAFFIC

As to the sources of some traffic it is interesting to note that in this case evidence was introduced showing that from fifty to seventy-five per cent of the products sold by wholesale grocery houses originate on the coast and do not pay a Trans-Continental rate to the coast. Manufacturing establishments have also been established on the coast and their products are not in all cases subject to a Trans-Continental rate upon the raw material. Furniture factories, for example, obtain most of their raw material near at hand, which they work into the finished product. Coast jobbers use the water routes from the Atlantic Seaboard points to such an extent as may be practicable and thus effect a saving of about 20 per cent in comparison with the rail rates. It is further stated that manufacturers on the coast, however, are at a disadvantage as compared with their eastern competitors by reason of a higher cost of production due to higher wage scales and other similar conditions.<sup>1</sup>

As the traffic between the coast points and the Middle West is confined to five great systems, the volume of traffic for each is, in the aggregate, an immense amount. The Commission required the interested carriers to keep an accurate and detailed account for the months of July,

<sup>1</sup> 19 I. C. C. Rep., 265 and 284.

August, and September of 1910, showing the revenue which actually accrued on the class rates at issue and the revenue which would have accrued on the volume of business under a twenty per cent reduction of those rates.

## 6. MILEAGE RATES

This account when completed showed that the proposed reduction contemplated by the Commission would amount to less than one per cent of their net operating revenue. Considering the financial condition of the defendant carriers, the Interstate Commerce Commission established the mileage scale of rates set forth in Table 11, this scale to be applied for the interstate transportation of freight between Tacoma and Seattle, Wash., and Portland, Ore., on the one hand and points in Washington, Oregon, Idaho, and Montana on the other.

TABLE 11

MILEAGE SCALE OF RATES APPLYING BETWEEN TACOMA AND SEATTLE, WASH., AND PORTLAND, ORE., ON THE ONE HAND AND POINTS IN WASHINGTON, OREGON, IDAHO, AND MONTANA ON THE OTHER

DISTANCES	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
100 miles or less.....	50	43	35	30	25	25	20	15	13	10
Over 100 miles but not more than 200 miles.....	72	61	50	43	36	36	29	22	18	14
Over 200 miles but not more than 300 miles.....	91	77	64	55	46	46	36	27	23	18
Over 300 miles but not more than 400 miles.....	110	94	77	66	55	55	44	33	28	22
Over 400 miles but not more than 500 miles.....	129	110	90	77	65	65	52	39	32	26
Over 500 miles but not more than 600 miles.....	147	125	103	88	74	74	59	44	37	29
Over 600 miles but not more than 700 miles.....	164	139	115	98	82	82	66	49	41	33

<sup>1</sup> Governed by the Western Classification.



The high basis of the rail rates is reflected in the adjustment of the local rates of the water carriers operating in this territory. Many of the points are located on the coast and are not accessible to or reached by the railroad companies; the traffic between such points is served by water vessels, either schooner or steamship lines. The rates via these water carriers are on a much higher scale than those of steamship and sailing vessel lines in the east, which are called upon to operate in competition with a much lower scale of rates.

In other districts which have not been penetrated by the railroads, consignments are still handled by mule teams and, as may be inferred, the cost for this portion of the haul often exceeds by three or four times the charge from New York to the point at which the teaming companies take possession of the freight.

## CHAPTER V

### INTERMEDIATE RATES

#### 1. RATES TO AND FROM INTERMEDIATE POINTS

##### *(a) Development*

Having observed from the preceding sections of this work how the rates from the eastern markets to the Terminal Points are constructed and the basis employed in establishing local rates, we will now take up the construction of rates to Intermediate Points.

The basis that has been employed for a number of years in computing rates to points in this territory located at some distance from the Pacific Coast Terminals, has been to use the rate applying from the eastern destination to the Terminal and adding thereto the local rate applicable from the coast city to destination. For example, the through rates from Chicago to Reno, Nev., were constructed by taking the class rates applicable from Chicago to Sacramento, Cal., this being the nearest coast Terminal, and adding to these rates the local rates applying from Sacramento to Reno, viz.:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates from Chicago										
to Sacramento ..	300	260	220	190	165	160	125	100	100	95
Rates from Sacra-										
mento to Reno...	129	112	102	87	78	78	24	23½	25½	25½
	—	—	—	—	—	—	—	—	—	—
Through rates from										
Chicago to Reno...	429	372	322	277	243	238	149	123½	125½	120½

As this line continues east certain other combinations become available for the construction of through rates. For example, to points east of Humboldt, Nev., such as Winnemucca and Elko, under the present method rates are made on a combination of those to and from the Utah Common Points, the rates varying as the rates from the point of origin to the Colorado Common Points vary.

The practice of maintaining lower rates to the Terminal Points than to the Intermediate Points is of comparatively recent origin. For many years prior to April 11, 1893, the same rates applying to the Terminal cities were applied to Reno and other interior points. The effect of this change in the manner of constructing rates was to establish the highest main-line rates found at any place in the United States and the apparent injustice of the scheme is probably best illustrated in the following example.

On first-class traffic moving from Chicago to Reno in quantities of 20,000 pounds, the Union Pacific-Southern Pacific Lines charge \$858, whereas on a like movement to Sacramento, Cal., a distance of 154 miles further, the charge is but \$600. The same disparity in charges existed were the shipment to originate at Denver, 700 miles further west. Likewise, if the traffic originated in New York or Boston, the charges and the same relative differences would be perpetuated.

Since this complaint was brought to the attention of the Commission, the carriers have adopted a somewhat different scheme of publishing rates to Terminal cities, as explained in Chapter II. Formerly, the \$3 scale of rates was blanketed from all the territory east of the Missouri River, whereas the rates are now graded and

relative increases in the zone rates may be observed as the distance from ultimate destination increases.

Prior to January 1, 1909, still another principle of rate construction was indulged in by these Trans-Continental carriers. These rates were known as Intermediate class rates to Reno and other interior Trans-Continental points, the rates on first class being \$3.90 from Chicago, Milwaukee, and common points; \$3.70 from Mississippi River Common Points; \$3.50 from Missouri River Common Points; and \$3 from Colorado Common Points. An alternative clause gave to Reno the right of combination rates based on Sacramento or these Intermediate rates, whichever should be lower. This method of stating rates was condemned by the Interstate Commerce Commission under its rules relative to the filing and publication of freight schedules. The tariffs were then changed to cancel the alternative clause and the Intermediate class rate and thus rates to all Nevada points were based on Sacramento. This was the situation when the case was brought to a focus by the commercial bodies of the intermountain cities.

*(b) Volume of Traffic*

To those not acquainted with the circumstances, it might appear that the amount of traffic involved in this issue would be of a negligible amount as contrasted with the whole. Such, however, is not the case, as is evidenced by the following exhibit of one of the defendant lines showing the earnings of the Central Pacific Railway on business wholly within the state of Nevada, on business passing through the state, on business originating in and passing out of the state, and on business originating out

of the state and having its destination in the state, for the fiscal year ending June 30, 1907.

	Revenue	Percentage of Total
Intrastate traffic .....	\$ 159,791.40	2
Traffic originating outside and coming into the state .....	1,683,687.69	20
Traffic originating in and passing out of the state .....	831,802.96	10
Total .....	\$2,675,282.05	32
Traffic passing through the state.....	5,578,282.28	68
Sum of total.....	\$8,253,564.33	100

This exhibit in itself suffices to show that while the traffic of Nevada may have been of a negligible quantity at one time, yet its traffic at the present time has assumed healthy proportions and it is reasonable to presume that, with the vast irrigation projects and the reclamation of arid wastes, the traffic will increase materially from year to year.

### *(c) Sources of Traffic*

Another exhibit submitted in this case dealt with the sources, or the originating points, of traffic destined to Reno and other cities. This exhibit indicated that approximately 25 per cent of the traffic originated in Trunk Line and New England territories and that 75 per cent originated in Central Freight Association Territory and points west thereof. This seemingly indicated that the competition of western markets is more effective in this region than the competition of markets located further east. Touching this phase of the question, the Commission stated as follows:

\* \* \* It may be historically the fact, as the carriers assert, that the transcontinental blanket rates given to the Pacific coast cities were put in to meet water competition from the Atlantic coast points, and that these rates were extended westward from the Atlantic as matter of grace to western manufacturers and producers; to-day, however, it might well be said that this blanket is extended not westward, but eastward, so as to give the eastern manufacturer or jobber some opportunity to reach the far western markets. \* \* \* <sup>1</sup>

*(d) Earnings of Carriers Engaged in Traffic*

The following excerpt from the opinion of the Commission relative to the revenue of the carriers engaged in this traffic is particularly illuminating.

\* \* \* During the past two years the operating revenues of the Southern Pacific Company's Pacific system have increased \$8,000,000 while its operating expenses have decreased \$5,000,000, thus producing an increased operating income of over \$12,000,000, or a net increase of about \$2,000 per mile of road.

There appears in the record a compilation from the statistics of this Commission for the years of 1898-1907 in which is shown that in these ten years the carriers in the Pacific coast territory doubled their freight tonnage, which rose from 18,000,000 to 35,000,000 tons; almost doubled their gross revenue; their receipts per mile increased over 70 per cent; their receipts per ton per mile increased from 1.07 to 1.25, or about 20 per cent; while the relation of expenses to earnings remained practically constant as 62.50 per cent. These figures are for all the roads in the Pacific territory. But if we take the Central Pacific alone we find it third in the list of Pacific coast roads in tons carried and the highest of all in freight earnings per mile (\$13.453 per mile in 1907). While it is one of three railroads in the west carrying over a million tons of freight per mile of road—the average for the United States—the earnings of the Central Pacific per mile are 65 per cent greater than the average for the United States and 100 per cent greater than the average of the roads west of Chicago. \* \* \* <sup>2</sup>

<sup>1</sup> 19 I. C. C. Rep., 238-256.

<sup>2</sup> 19 I. C. C. Rep., 238-256.

## 2. READJUSTMENT OF RATES TO RENO AND RELATED POINTS

In this case the Railroad Commission of Nevada petitioned that Reno be given rates from all territories as low as those to Sacramento. This the Commission declined to do, but instead prescribed the following adjustment to be established to Reno, Nev., and points east thereof to but not including Winnemucca, Nev.:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates from New York and										
Common Points .....	350	301	249	200	167	175	138	111	103	93
Rates from Pittsburgh-										
Buffalo Common Points...	320	273	229	187	157	162	128	103	96	86
Rates from Cincinnati-De-										
troit Common Points...	305	263	219	181	152	156	123	98	92	83
Rates from Chicago and										
Common Points .....	290	251	209	175	147	150	118	94	89	80
Rates from Mississippi										
River Common Points...	280	242	203	171	143	146	114	91	86	78
Rates from Missouri River										
Common Points .....	230	200	168	145	122	122	96	76	73	65
Rates from Denver and										
Colorado Common Points...	210	182	154	133	112	112	87	70	66	60

To Winnemucca, Nev., and points east thereof to the Nevada-Utah state line, the Commission prescribed the following scale:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates from New York and										
Common Points .....	333	286	237	190	159	166	131	105	98	88
Rates from Pittsburgh-										
Buffalo Common Points...	304	262	218	178	149	144	122	98	91	82
Rates from Cincinnati-De-										
troit Common Points...	290	250	208	172	144	148	117	93	87	79
Rates from Chicago and										
Common Points .....	275	238	199	166	140	143	107	89	85	76
Rates from Mississippi										
River Common Points...	266	230	193	162	136	139	108	86	82	74
Rates from Omaha and										
Sioux City Group.....	238	206	174	150	126	126	99	79	75	67
Rates from Lincoln-Topeka										
Group .....	219	190	160	138	116	116	91	72	69	62
Rates from Colorado Com-										
mon Points .....	200	172	146	126	106	106	83	67	63	57

The groups from which these rates are to be applied are identical with those used in the rates to and from the Pacific Coast Terminal Points.

### 3. GROUPING OF TERRITORY FOR CONSTRUCTION OF COMMODITY RATES TO AND FROM INTERMEDIATE POINTS

No order was issued at that time regarding commodity rates, but the carriers were required to make a record of all shipments into Nevada from eastern defined territories for a certain period during the year 1910. This tabulation was to show (1) the commodity, (2) the weight, carload or less-than-carload, (3) the point of origin and the Trans-Continental territorial group in which the same is located, (4) the rate that would be applied under the tariff in effect July 1, 1910, (5) the gross charges thereunder, (6) the rate applicable under the order made in this case, (7) the gross charges thereunder, (8) the rate that would be applied were the movement to Sacramento, and (9) the gross charges thereunder.

The Commission's decision relative to class rates was announced June 6, 1910. About a year later, the data which it called for in the above order was analyzed by it and a decision was rendered respecting the construction of commodity rates to and from eastern points of origin and destination.

The eastern territory was first subdivided into five groups, or zones, which were defined as follows:

#### *(a) Group One*

All that portion of the United States lying west of a line called Line 1, which extends in a general southerly



direction from a point immediately east of Grand Portage, Minn.; thence southwesterly along the northwestern shore of Lake Superior to a point immediately east of Superior, Wis.; thence southerly along the eastern boundary line of Trans-Continental Group F to the intersection of the Arkansas-Oklahoma state line; and thence along the west side of the Kansas City Southern Railway to the Gulf of Mexico.

This group has been modified in so far as certain points in Trans-Continental Group F contiguous to St. Paul and Duluth are concerned, embracing such stations north of Sioux City, Iowa, to and including Duluth, Minn., and Superior, Wis., as are on the Chicago, St. Paul, Minneapolis & Omaha Railway and its connections beyond the Twin Cities. These points were previously grouped with Missouri River points and took the Missouri River rate adjustment.

The modification of the order permitted the application of Mississippi River rates to all points north of Sioux City to and including St. Paul and Minneapolis, and the application of Chicago (Group D) rates to points north of the Twin Cities to and including Duluth, Minn., and Superior, Wis. Group F south of Sioux City, Iowa, was not disturbed.

### *(b) Group Two*

All territory in the United States lying east of Line 1 and west of a line called Line 2, which begins at the international boundary line between the United States and Canada, immediately west of Cockburn Island, on Lake Huron; thence westerly through the Straits of Mackinac; thence southerly through Lake Michigan to its southern

boundary; thence following the western boundary line of Trans-Continental Group C, through Paducah, Ky.; thence following the east side of the Illinois Central Railroad to the southern boundary line of Trans-Continental Group C; and thence following the eastern boundary line of Group C to the Gulf of Mexico.

*(c) Group Three*

All territory in the United States lying east of Line 2, north of the southern boundary of Trans-Continental Group C, and on and west of Line 3, which is the Buffalo-Pittsburgh line from Buffalo, N. Y., to Wheeling, W. Va., marking the western boundary of Trunk Line Freight Association Territory; and thence following the Ohio River to Huntington, W. Va.

*(d) Group Four*

All territory in the United States east of Line 3 and north of the southern boundary of Trans-Continental Group C.

*(e) Group Five*

All territory south and east of Trans-Continental Group C.

#### 4. BASES FOR RATES

*(a) From or to Mississippi River Common Points*

The same rates are provided from or to Mississippi River Common Points as those contemporaneously in

effect to North Pacific Coast Terminals, this principle to be maintained at all main-line points in Nevada and California.

*(b) From or to Chicago and Chicago Common  
Point Territory*

Traffic originating in Chicago or in Chicago Common Point Territory and moving under commodity rates may have a rate 7 per cent higher than that imposed on freight originating in Chicago or in Chicago Common Point Territory and destined to the Coast Terminals.

*(c) From or to Buffalo-Pittsburgh Territory*

The rates from this territory to Intermediate Points may not rise more than 15 per cent above those demanded and charged from this territory to the Coast Terminals.

*(d) From or to New York Common Points*

The rates from New York or Trunk Line Territory may not exceed the rates charged to the Coast Terminals by more than 25 per cent.

The interested carriers appealed the order of the Interstate Commerce Commission announcing this basis to the Supreme Court of the United States, but without avail, as that body upheld the order.<sup>3</sup>

5. RATES TO AND FROM PHOENIX, ARIZ.

When investigating the rates to Reno, the Interstate Commerce Commission included in its investigation the

<sup>3</sup> Decision June 22, 1914.

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rates to Phoenix, Ariz., as they, also, were the subject of a complaint by interested trade bodies. The Commission condemned the existing class and commodity rates as unreasonable, for substantially the same conditions were found surrounding this traffic as were found in the case of the Reno rates. The existing rates to Phoenix at the time of the investigation were as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates from Kansas City..	341	298	268	216	190	190	163	137	115	107
Rates from St. Louis.....	341	298	275	221	195	197	163	139	115	107
Rates from Chicago.....	361	314	287	226	200	205	171	146	121	112
Rates from Cincinnati....	361	314	287	231	202	206	171	146	121	112
Rates from Pittsburgh....	391	343	307	244	214	217	179	154	131	122

These rates were judged to be unreasonable and the following rates were established in lieu thereof:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates from Kansas City..	250	217	183	158	133	133	104	83	79	71
Rates from St. Louis.....	280	242	203	171	143	146	114	91	86	78
Rates from Chicago.....	290	251	209	175	147	150	118	94	89	80
Rates from Cincinnati....	305	263	219	181	152	156	123	98	92	83
Rates from Pittsburgh....	320	276	229	187	157	162	128	103	96	86

## 6. COMMODITY RATES

The adjustment of rates authorized by the Commission to be applied to Reno was extended to Phoenix and to other Southern Gateways, such as Ash Fork, Maricopa, San Bernardino, Bakersfield, Fresno, and Ventura.

## 7. RATES TO SPOKANE, WASH.

Rates to Spokane, Wash., were formerly made the same as the rates to Reno were made, that is, by adding to the terminal rate a back-haul or local rate from the

nearest terminal point. To illustrate the adjustment it may be well to compare the rates to Seattle, Wash., Spokane, Wash., and Missoula, Mont. (Missoula, Mont., being some 250 miles east of Spokane), from New York, Chicago, and St. Paul.

The rates in effect at the time of this investigation from St. Paul, Chicago, and New York to Seattle were as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates from St. Paul.....	300	260	220	190	160	160	125	100	95	85
Rates from Chicago.....	300	260	220	190	165	160	125	100	100	95
Rates from New York....	360	260	220	190	165	160	125	100	100	95

The rates from St. Paul and Chicago to Spokane were as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates from St. Paul.....	300	260	220	190	150	145	125	100	95	85
Rates from Chicago.....	360	310	260	210	170	170	145	117	109	98

The rates from St. Paul and Chicago to Missoula were as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates from St. Paul.....	236	201	165	142	118	118	94	83	59	47
Rates from Chicago.....	296	251	205	167	138	143	114	100	73	60

The class rates from New York to Spokane and Missoula were made on the Chicago combination. It may be observed that the class rates from St. Paul to Spokane and Seattle are the same. The class rates from Chicago are higher in all cases to Spokane than to Seattle, while they are somewhat lower to Missoula than to either Spokane or Seattle. The class rates from Chicago to Missoula are made on the combination based on St. Paul. From New York to Seattle the class rates are the same as those from St. Paul and Chicago but much higher than those to both Spokane and Missoula. While

no discrimination exists in so far as traffic originating at the Missouri River is concerned, traffic originating east of the Missouri River pays in all cases a somewhat higher rate to Spokane than to Seattle. The difference against Spokane increases in direct relation to the distance from St. Paul.

In considering this adjustment, it may be well to review some of the remarks of the Interstate Commerce Commission in connection with the development of the structure. The Commission, through Mr. Prouty, states:<sup>4</sup>

\* \* \* One other matter which was gone into at some length upon the hearing may be referred to in this connection. The report of the Commission in the original Spokane case, 5 I. C. C. Rep., 478, found that Spokane was discriminated against not only in comparison with the coast towns farther west, but also as compared with Missoula and other towns upon the east. There is some suggestion in the complaint that Missoula still enjoys the benefit of more favorable rates in a few instances.

The original case was decided in the winter of 1892, and soon after the Northern Pacific Railway Company, which was the defendant in that proceeding, attempted to comply in substance with the order of the Commission which had directed certain changes in rates to Spokane, principally the charging of a lower class rate from St. Paul than was made to the Pacific coast. The advent of the Great Northern Railroad as a transcontinental competitor at about the same time still further complicated the situation, and the result was a period of very unsettled and unsatisfactory transcontinental rate conditions lasting from 1893 down to 1898. The jobbers upon the Pacific coast, notably those of San Francisco, insisted that the rates were too favorable to their competitors in the middle west, and they were aggressive in their insistence upon a readjustment of these tariffs. Finally an understanding was reached between the jobbers of the Pacific coast and the transcontinental lines by which rates were restored,

<sup>4</sup> 15 I. C. C. Rep., 376-426.

the difference between carloads and less than carloads being materially widened. The adjustment of rates then put into effect was subsequently in the main approved by this Commission in *Business Men's League of St. Louis v. Atchison, Topeka & Santa Fe Ry. Co.*, 9 I. C. C. Rep., 318, and has remained in effect ever since.

By this restoration of rates in 1898 the original discrimination against Spokane was restored, all attempts to comply with the order of the Commission being abandoned and rates reestablished upon the original basis. We have seen that in 1900 the American Hawaiian Steamship Company put into service a line of steamships via the Straits of Magellan, and by the year 1902 this company had extended its operations as far north as Tacoma and Seattle. Traffic had also begun to move to some extent via this line and these Sound ports to Spokane. For the purpose of meeting this competition the defendants put into effect, about 1902, certain additional commodity rates to Spokane, but the general situation was not changed.

Certain rights of way through the city of Spokane were needed by the Great Northern Railway in the course of its construction from the east to the coast, and that company applied to the citizens of Spokane for a donation of the necessary land. The president of that company held several meetings with the citizens and with various committees on this subject, during which he either expressly said or left a very strong impression that if this right of way was granted the Great Northern Railway would apply terminal rates at Spokane. At about the time that railroad was opened for operation to Spokane a certain tariff was printed but apparently never put into effect, which named rates to Spokane not quite as low as those to Seattle, but very much lower than any which were ever actually applied. The alleged failure of Mr. Hill to keep his promises and the inability of Spokane to procure in any way what jobbers conceived to be fair rates, finally led in 1904 to the organization of a boycott by the jobbers of Spokane against the Great Northern and Northern Pacific lines. These shippers by concerted action diverted their entire shipments to the Union Pacific line, of which the Oregon Railway & Navigation Company is the de-

livering carrier. The result was a conference between the railways and the jobbing interests of Spokane at which coast jobbers were also represented, the outcome being an understanding that Spokane was to be accorded a certain defined territory.

It was said upon this hearing that this territory was turned over to the Spokane jobbers by reducing the distributing rates from Spokane, which were declared to be very much lower than the corresponding distributing rates from coast towns. Whether those rates are or are not more favorable to Spokane we have not considered, but it seems certain that no change was made in these rates at this time. The purpose was effected by according to Spokane certain earload commodity rates from eastern points of supply. The railways inquired where the various jobbers obtained their supplies and put into effect such rates from those points as would, in comparison with rates to terminal points, enable Spokane to undersell the terminal jobber. Previous to this time the commodity rates accorded to Spokane had been few in number. They were now very much increased. Previous to this they had seldom extended farther east than St. Paul and never beyond Chicago. Now many of them were applied as far as the Buffalo-Pittsburg line and some were extended even to the Atlantic seaboard. The conceded effect was to pass over to the jobber of Spokane a territory about 100 miles in extent to the east and to the south, including the Palouse country upon the north of the Snake River.

While, therefore, Spokane rests under the rate disabilities and discriminations stated in the opening of this report, it enjoys, in so far as it can under that scheme of rate-making, exceptional freight rates. Spokane is probably more favored in this respect than any other interior jobbing point. \* \* \*

## 8. READJUSTMENT OF RATES TO SPOKANE

\* \* \* It was said in the original Spokane case, 5 I. C. C. Rep., 478, that these class rates were not competitive. Whatever may have been the case then, this is not strictly true now. At that time the class rate graded up from the Missouri River to the Atlantic seaboard, being, first class, \$3.50 from St. Paul to



Seattle, as compared with \$4.20 from New York. To-day, under the influence of competitive conditions, class rates are in the main the same from all territory east of the Missouri River to Pacific coast terminals. But while these class rates to the coast cities are influenced to some extent by competitive conditions, this is not true to the same extent as with commodity rates, and whatever may be said of such rates from points east of St. Paul, we are clear that the present scale of class rates from St. Paul to Seattle affords ample compensation to the defendants.

In the original case the Commission established from St. Paul to Spokane class rates which were 82 per cent of those to Seattle. The first class rate from St. Paul to Seattle was then \$3.59; it is now \$3. In our opinion reasonable class rates from St. Paul to Spokane would be obtained by reducing the present Seattle rate about  $16\frac{2}{3}$  per cent.

Class rates from Chicago to Spokane may properly be higher than those from St. Paul by the following arbitrariness:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rate .....	.50	.42	.33	.21	.17	.21	.17	.14	.12	.11

The resulting rates will be substantially those which have been applied in the past from St. Paul to Seattle, and which we have found to be sufficiently high without reference to competitive conditions. The distance from Chicago to Spokane is but slightly greater than that from St. Paul to Seattle, and there is no condition of transportation which would justify the maintenance of higher class rates.

In our opinion, therefore, upon a consideration of all the facts and circumstances, the rates named below would be reasonable class rates to be charged for the future from St. Paul and Chicago to Spokane:

FROM	TO SPOKANE									
	1	2	3	4	5	A	B	C	D	E
St. Paul.....	250	217	183	158	133	133	104	83	79	71
Chicago.....	300	259	216	179	150	154	121	97	91	82

Similar reductions were authorized in the existing commodity rates and the carriers have complied with the Commission's orders both as to class and commodity rates.

## CONCLUSION

It is expected that the opening of the Panama Canal will tend to stimulate the development of manufacturing enterprises on the Pacific coast, because of the ability to secure raw materials, etc., at a low transportation cost. In a very short course of time, we will undoubtedly find that California will be seeking a market for the sale and distribution of articles manufactured on the Pacific coast in competition with articles manufactured in eastern states.

The foregoing article is descriptive of the present adjustment and a careful study of it will give a satisfactory understanding of the adjustment as it stands today.

## TEST QUESTIONS

These questions are for the student to use in testing his knowledge of the assignment. The answers should be written out, but are not to be sent to the University.

1. What method is followed in publishing rates under the Trans-Continental adjustment?
2. By whom are the rates on traffic from the eastern states to the Pacific Coast published?
3. Designate the grouping of territories for points of origin on westbound traffic and give an important town in each of the groups.
4. Enumerate the alternative routes which may be used on forwarding traffic from the East to the Pacific Coast.
5. What company possesses a through route from the East to the Pacific Coast?
6. What is the oldest route?
7. How will the opening of the Panama Canal affect traffic via the other routes?
8. In what year was the route via Panama established?
9. By whom is the Panama Railroad operated?
10. When was the Tehauntepee route established?
11. Discuss the service via both routes.
12. In what year was the all-rail route to the Pacific Coast completed?
13. What is the shortest route from New York to San Francisco? The longest route?
14. What route from the standpoint of time affords the best service from New York to San Francisco on general traffic?
15. May persons located at interior points avail themselves of the services of the all-water carriers?
16. From the tonnage forwarded via the water lines, would you say that they are encroaching upon the railroad's tonnage?
17. In your opinion will the opening of the Panama Canal result to the advantage or disadvantage of the Trans-Continental Rail Line?
18. Why is it not possible to indicate specific rates applicable upon all traffic via the water lines from port to port?
19. Why are the all-rail routes permitted to fix their charges on a somewhat higher basis than the water lines?

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20. Unless the water carriers' rates were equalized in so far as the manufacturer located in the Middle West was concerned, what effect would it have upon the markets of production?

21. Define the terminal-point grouping employed in this adjustment.

22. What are Intermediate Points?

23. Is the grouping extended to apply to points in Canada?

24. Is the grouping of Eastern Territory a modification of an old adjustment or not?

25. What is said about the present method of making rates under this adjustment?

26. How is a blanket system of rates defined?

27. What has been said by the carriers with respect to the propriety of the Interstate Commerce Commission in prescribing rates involving large areas?

28. What were the findings of the Supreme Court with respect to the appeal of the carriers?

29. What rates would Bellingham, Wash., take?

30. What would be the basis of rates to Callahan, Ore.?

31. What is the first-class rate from New York, Buffalo, Indianapolis, St. Louis, and Des Moines, to Tacoma, Wash.?

32. What are the rates on third-class traffic from the same points of origin to Vancouver, B. C.?

33. Where are the exceptions to the application of rates on this traffic published?

34. How are rates to interior points in this territory constructed?

35. What would be the rates from Cleveland, Ohio, via the lake-and-rail routes, to Seattle, Wash.?

36. During what time are the rates via these routes available?

37. What is said relative to the rates on this traffic via South Atlantic and Gulf ports?

38. May the all-rail rates greatly exceed a combination made of the rail rates to New York plus the all-water rate from New York to destination?

39. What is said relative to marine insurance? Via what lines involving a water haul do the rates include a cost of insurance?

40. Give an illustration of the application of arbitrary rates in constructing through rates to western points of destination.

41. As a rule on what basis are commodity rates via South Atlantic and Gulf ports published?

42. To a point subject to Note 13, what arbitrary would be added to the rate if the shipment consisted of a girder weighing 65,000 pounds?

43. To what traffic are the rates on eastbound movements largely restricted?

44. Are the groupings employed on westbound traffic the same as those for eastbound traffic?

45. State the advantage of the reconsigning privilege in so far as the California orange grower is concerned.

46. Is there any difference between the eastbound and westbound rates to and from the same groups?

47. Discuss the development of rates on lumber from the Pacific Coast.

48. Are the rates from the North Pacific Coast Terminals the same as the rates from the California Terminals?

49. By whom are local rates published in this territory?

50. By whom are joint rates published between points in Pacific slope territory?

51. On what basis do the carriers defend the high scale of rates that are maintained between local points in this territory?

52. How does the cost of operation in this section of the country compare with that in other sections?

53. What rates were prescribed by the Interstate Commerce Commission to apply as maximum rates between Sacramento, Cal., and points just west of Salt Lake City?

54. Within what radius may jobbers at North Pacific Coast Terminals distribute their products?

55. What percentage of the traffic to and from this territory originates at eastern points?

56. How do the mileage rates prescribed by the Interstate Commerce Commission for use in this territory compare with the scale employed in Central Freight Association Territory?

57. How were the rates to the so-called intermountain cities formerly constructed?

58. Is this practice of recent origin?

59. Give an illustration of the apparent discrimination in so far as a merchant located at Reno and one at San Francisco are concerned.

60. Do the so-called intermountain states of Nevada, Utah, and Idaho contribute to any great extent to the carriers' revenue?

61. What is said relative to the sources of traffic?

62. Are the earnings of the carriers in this territory on a favorable basis as contrasted with those located in other sections of the country?

63. Define readjustment of rates to Reno, Nev., and related points.

64. What groups from the eastern section of the United

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States were authorized by the Commission for rate-making purposes?

65. Give an important point in each of these groups.

66. What was the extent of the reduction ordered in so far as the rates to and from Phoenix, Ariz., were concerned?

67. What other Southern Gateways did this adjustment affect?

68. How were the rates to Spokane, Wash., formerly made?

69. On what basis was the readjustment of rates ordered to Spokane?

70. What result may be reasonably expected from the opening of the Panama Canal?

# FREIGHT RATES

## WESTERN TERRITORY

### PART 4

### EXPORT AND IMPORT FREIGHT RATES

WILLIAM CAMERON

Chairman, St. Louis Eastbound Freight Committee  
Chairman, St. Louis-Cincinnati-Louisville Freight Committee

LASALLE EXTENSION UNIVERSITY  
(Home Study Under Expert Guidance)  
- CHICAGO

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# EXPORT AND IMPORT FREIGHT RATES

## CHAPTER I

### **EXPORT AND IMPORT TRAFFIC**

It is safe to say that few people who are not directly connected with the importation or exportation of goods to or from foreign countries appreciate the importance of the rate structure under which this traffic is handled. The industrial man or jobber should be greatly interested in this subject from the standpoint of a further development of his business and should furnish to his patrons lines of goods that cannot be secured in this or their countries, while the railroad traffic man should find the subject of importance from the standpoint of a rate-making factor and because it should afford a field for the development of additional traffic for his line.

French sardines, English soaps, German toys, etc., are placed on sale in the middle western section of this country in competition with articles of the same kind but of domestic manufacture or production. It is a very comprehensive system of transportation that enables the foreign producer, after paying a duty varying from one to fifty per cent, to sell at retail these articles on substantially the same terms as the American producer.

Likewise, American manufacturers have created a demand in foreign lands for their products, and a system of rates must be evolved which will enable them to reach such markets and dispose of their goods at some profit. It is to the carriers' interest that everything be done to facilitate the development of this commerce.

### 1. FOREIGN COMMERCE

In order to follow without difficulty the succeeding statements relative to the adjustment employed with respect to our foreign commerce, it is necessary that some explanation be made of the terms employed.

By the ordinary use of the word "imports" is understood the designation of articles that are brought into this country from some foreign country, while the term "exports" is applied to articles which are manufactured in this country and are sent abroad to countries either adjacent or not adjacent to the United States.

This traffic, both as to exports and imports, may be divided into the following classes for the purpose of analysis: (1) The transportation of property from any place in the United States to an *adjacent* foreign country, as, for example, a movement of freight from Chicago, Ill., to Montreal, Can., or from Chicago to Mexico City, Mex.; (2) the transportation of property from any place in the United States to a foreign country *not adjacent* to it and carried from such place to a port of transshipment, as, for example, a movement of property from Chicago to Havre, France, by way of New York, N. Y.; (3) the transportation of property from an *adjacent* foreign country to any place in the United States, as, for

example, a movement of freight from Montreal, Can., to Pittsburgh, Pa., via International Border Points or via the Niagara frontier; (4) the transportation of property from a foreign country *not adjacent* to any place in the United States and carried to such place from a port of entry either in the United States or in an *adjacent* foreign country, as, for example, a movement of freight from Liverpool, England, to St. Paul, Minn., through any of the American or Canadian ports of entry; (5) the transportation of property from a foreign country *adjacent* or *not adjacent* to the United States through an American port of entry to a foreign country *adjacent* or *not adjacent* to the United States, by way of an American port of transshipment or international border point, as, for example, a movement of freight from Copenhagen, Denmark, to Mexico City, Mex., by way of New York, N. Y., as the port of entry and Eagle Pass, Tex., as the point of export, or a movement from Genoa, Italy, to Vladivostok, Siberia, entering this country by way of Baltimore and being transshipped to final destination by way of Seattle, Wash.; and (6) the transportation of property to or from American ports of entry or transshipment from or to foreign countries *adjacent* or *not adjacent* to the United States by water, as, for example, a movement of freight from Halifax, Nova Scotia, to Boston, Mass., or from New York, N. Y., to Vera Cruz, Mex.

## 2. PORT CITIES

The ports of entry and transshipment referred to in the foregoing paragraph are applied to such cities on and

## 4      FREIGHT RATES—WESTERN TERRITORY

adjacent to the Seaboard as are served by ocean steamship lines. These cities may be grouped as follows:

### CANADIAN PORTS

Halifax, N. S.	Montreal, Que.
St. Johns, N. B.	West St. Johns, N. B.
Vancouver, B. C.	Quebec, Que.

### NORTH ATLANTIC PORTS IN THE UNITED STATES

Boston, Mass.	Baltimore, Md.
Philadelphia, Pa.	Jersey City, N. J.
Newport News, Va.	Norfolk, Va.
New York, N. Y.	

### SOUTH ATLANTIC PORTS IN THE UNITED STATES

Wilmington, N. C.	Savannah, Ga.
Beaufort, S. C.	Fernandina, Fla.
Jacksonville, Fla.	Charleston, S. C.
Georgetown, S. C.	Brunswick, Ga.

### GULF PORTS IN THE UNITED STATES

Key West, Fla.	Texas City, Tex.
Pensacola, Fla.	New Orleans, La.
Port Arthur, Tex.	Galveston, Tex.
Tampa, Fla.	Apalachicola, Fla.
Mobile, Ala.	

### PACIFIC COAST PORTS IN THE UNITED STATES

San Francisco, Cal.	Tacoma, Wash.
Seattle, Wash.	San Diego, Cal.
San Pedro, Cal.	

The above list gives the more important ports by way

of which published export and import rates apply. There are a number of points adjacent to some of these ports to which the basis is also extended. The sailings from such points, however, are not frequent and the list given will suffice for the purpose of this treatise. Before leaving this subject, it may be remarked that there is a through all-water route from ports located on the Great Lakes to foreign countries by way of the Welland Canal and the St. Lawrence River. In this sense the Great Lake ports become ports of entry or transshipment.

### 3. DEFINITION OF FOREIGN COUNTRIES

The tariff regulations of the Interstate Commerce Commission provide that the extent of the application of export and import rates must be clearly set forth in the publications in which they are contained, because the term "foreign countries" is in itself ambiguous and susceptible to varying interpretations.

The carriers, in general, have complied with this requirement, but no set rule may be laid down by which it may be determined what countries are and what countries are not included in the term, inasmuch as in one issue we may find "foreign countries" defined as follows: "European countries, viz., Europe, Asia, Africa, Australia, New Zealand, and the Philippine Islands"; in another issue "foreign countries" may be referred to as Europe and points beyond; while in still another as Cuba and the West Indies.

These variations serve to indicate the necessity of careful study of the issues containing the rates, in order to ascertain the extent of their application.

#### 4. FILING OF EXPORT AND IMPORT TARIFFS BY OCEAN CARRIERS

Ocean carriers between ports of the United States and foreign countries *not adjacent* to it are not subject to the terms of the Act To Regulate Commerce nor to the jurisdiction of the Interstate Commerce Commission.

*(a) Foreign Countries not Adjacent to the United States*

Sections a and b of Rule 71 of Conference Tariff Circular No. 18-A read as follows:

(a) The inland carriers of traffic exported to or imported from a foreign country not adjacent must publish their rates and fares to the ports and from the ports, and such rates or fares must be the same for all, regardless of what ocean carrier may be designated by the shipper or passenger.

(b) As a matter of convenience to the public said carriers may publish in their tariffs such through export or import rates or fares to or from foreign points as they may make in connection with ocean carriers. Such tariffs must, however, distinctly state the inland rate or fare as above provided, and need not be concurred in by the ocean carrier, because concurrence can be required from, and is effective against, only carriers subject to the Act.

*(b) Foreign Countries Adjacent to the United States*

Rule 72 of Tariff Circular No. 18-A reads as follows:

Tariffs to or from Points in Adjacent Foreign Countries.—Through rates and fares from points in the United States to points in foreign countries adjacent thereto and through rates and fares from points in adjacent foreign countries to points in the United States are a great convenience, and the Commis-



sion therefore desires to permit and encourage the publication and filing of such through rates and fares under lawful and proper conditions. Therefore, and until further order of the Commission:

A joint tariff naming rates or fares from a point in the United States to a point in Mexico or in Canada; from a point in Mexico or in Canada to a point in the United States; from a point in Mexico through the United States to a point in Canada; from a point in Canada through the United States to a point in Mexico; from a point in Mexico through the United States to a point in Mexico; from a point in Canada through the United States to a point in Canada; from a point in the United States through Mexico or through Canada to a point in the United States, must be concurred in, in form prescribed in these regulations and without reservation by all lines that are parties to the through rates or fares and that participate in transportation thereunder; or, a statement of the divisions of the rates or fares accruing to the roads in the United States to or from the border must be incorporated in the tariff or be filed with the Commission together with and at the same time the tariff itself is filed. \* \* \*

In passing, it may be stated that, as a rule, through rates to adjacent countries are published and filed with the Interstate Commerce Commission wherever possible under joint traffic associations. On the other hand, in so far as foreign commerce to countries not adjacent to the United States is concerned, only the inland proportions of the through rates are shown.

## 5. THROUGH RATES

As a general rule, there are no through rates published either to or from foreign countries, from or to interior points of destination in the United States. As to the tariffs publishing the through rates, these tariffs show

the proportion for the inland portion of the haul and the proportion for the ocean haul separately. They usually contain a proviso that the rate shown for the ocean haul is not on file with the Interstate Commerce Commission, this rate being subject to change without notice.

The rates and classifications of the ocean carriers vary materially according to the conditions applying on individual shipments. Quotations are usually made for each sailing, because they may differ somewhat from those of the previous sailing. It is apparent from this that it is quite essential to consult the boat line or lines handling these shipments at the time they are ready to be forwarded and then to forward them in ample time to make connection with the sailing for which the quotation has been given.

#### 6. DOMESTIC RATES AS MAXIMUM

As special rates are made on export and import traffic to stimulate its movement, it is only natural that such rates should not exceed the domestic rates on similar traffic between the same points. It may safely be said that they never do, for when an inland proportion of an export or import rate is established, it is always less than the domestic rate and when no rates are established, the domestic rates applicable upon the same traffic are applied.

There are many special documents, such as consular invoices, manifests, etc., that must be prepared when shipments are forwarded in connection with ocean carriers and the packing specifications are somewhat more fixed than for shipments transported via rail. These conditions, however, will be more fully dealt with in the

treatise devoted to water traffic and rates. This treatise will be devoted to an exposition of joint export and import rate structures, maintained by the carriers in the United States, which are subject to the Act To Regulate Commerce.

## CHAPTER II

### IMPORT RATES ON TRAFFIC ORIGINATING IN EUROPE

#### 1. TO CENTRAL FREIGHT ASSOCIATION TERRITORY

##### *(a) Via New York, N. Y.*

In the treatise on the construction of freight rates in Official Classification Territory, the percentage system of making rates between points in New England and Trunk Line territories on the one hand and points in Central Freight Association Territory on the other, was fully explained. It will be found that, to a considerable extent, the import rates from European countries to Central Freight Association Territory are constructed in the same manner as are the domestic rates from New York. There are, however, many specific import rates to individual points that are constructed without regard to the general basis. The elements of competition via other routes compel this action. In connection with Central Freight Association Territory, St. Paul and Duluth rate territories should be considered at the same time, for the reason that the rates to these territories are constructed with relation to the Chicago rates.

In considering import rates to Central Freight Association Territory, it will be found, as a general rule, that the rates from New York are taken as the basis, and that the rates from the other ports, particularly the North Atlantic ports, are made with relation to the New York

rates. In certain cases, however, it may be found that the rail carriers from the Gulf ports have adopted a lower basis on traffic originating at some foreign countries, which influences to a great extent the rates on similar traffic from the North Atlantic ports. This is probably best exemplified by the movement of bananas into this country. The rates from Central American countries are considerably less to the Gulf ports of Mobile, New Orleans, and Galveston than to the North Atlantic ports, with the result that the business moves to a great extent via the Gulf routes. The effects of this are seen in the low rates established by the Trunk Line carriers from North Atlantic ports of entry to interior destinations in both Trunk Line and Central Freight Association territories, by which they seek to attract the traffic to their ports.

In order that the trunk lines may compete with the carriers serving the Gulf ports, it is necessary that the through rates from foreign countries to the ultimate destinations (which are the sum of the ocean rates and the inland rates) must not greatly exceed the rates applicable via another group of ports of entry. From this it may be seen that in many instances it is necessary to inquire as to the through rates from points of origin to ultimate destinations rather than to consider the differences existing in the rates charged on the inland portion of the haul.

### *(b) Class Rates*

The class rates applicable upon import traffic from New York to points in Central Freight Association Territory are the same as those applying on domestic traffic,

which are shown in Table 6 of the treatise, "Freight Rates—Official Classification Territory and Eastern Canada."

*(c) Commodity Rates*

Table 1 shows the rates applying from New York to Chicago for representative commodities of which there is a large and continuous movement.

The rates in Table 1 are scaled to other points on the basis of the same percentages that are applicable on westbound domestic commodity rates from New York to points in Central Freight Association Territory. The rates to an 80 per cent point on ferro manganese would be 80 per cent of the Chicago rate, which is \$4.25, or \$3.40; to an 84 per cent point, \$3.57; and to an 87 per cent point, \$3.70.

TABLE 1

IMPORT COMMODITY RATES IN CENTS PER 100 POUNDS (EXCEPT AS NOTED) VIA STANDARD ALL-RAIL LINES FROM  
NEW YORK TO CHICAGO IN CARLOADS

Bagging, burlap.....	20
Pyrates .....	20
Beans, castor .....	23
Clay .....	16
Fuller's earth .....	14
Cotton seed oil.....	25
Cocoonut oil .....	25
Seeds, except cotton seed, flax seed, and linseed..	26
Seed, flax .....	22
Seed, cotton, and linseed.....	25
Hemp .....	22
Magnesite .....	16
Kainit .....	19

TABLE 1—Continued

IMPORT COMMODITY RATES IN CENTS PER 100 POUNDS (EXCEPT  
AS NOTED) VIA STANDARD ALL-RAIL LINES FROM NEW  
YORK TO CHICAGO IN CARLOADS

---



---

Sal ammoniac .....	22
Wood pulp .....	18½
Tin, pig .....	23
Ferro manganese .....	.425 gross ton
Ferro silicon .....	.425 gross ton
Ore, crude iron .....	.360 gross ton
Fluor spar .....	.400 gross ton

---

## 2. VIA ATLANTIC PORTS OTHER THAN NEW YORK

### (a) *Class Rates*

As stated before, the rates from Atlantic ports other than New York are made, as a general rule, in relation to the rates from New York, although there are a number of exceptions. The following is the general basis for the construction of rates from such ports:

From Baltimore, Md., usually 3 cents per 100 pounds under New York rates.

From Boston, Mass., same rates as those from New York.

From Montreal, Can., same rates as those from Baltimore.

From Newport News, Va., same rates as those from Baltimore.

From Philadelphia, Pa., usually 2 cents per 100 pounds under New York rates.

From Quebec, P. Q., same rates as those from Montreal or Baltimore.

From St. Johns, N. B., same rates as those from Baltimore.

From West St. Johns, N. B., same rates as those from Baltimore.

From Portland, Me., same rates as those from Baltimore.

From Savannah, Ga., same rates as those from Newport News or Baltimore.

Particular attention is directed to the fact that Portland, Me., St. Johns, N. B., West St. Johns, N. B., Quebec, P. Q., and Montreal, Can., are conceded differentials under the rates currently in effect from New York. The Baltimore basis is applied from these cities. This is done, in a great measure, to offset the terminal advantages possessed by the cities of New York and Boston and to enable these smaller port cities to obtain a share of the traffic, which they probably would not be able to do were the normal adjustment to be employed.<sup>1</sup>

*(b) Commodity Rates*

In Table 3 are given some of the specific commodity rates applicable from Shiptside, Portland, Me., and grouped points of origin to specified Western destinations. These rates are not applied to all points, but only to those indicated in the heading of the table.

In Table 4 are given the import commodity rates applicable from Shiptside, Portland, Me., to Western destinations, which are applied generally throughout Central Freight Association Territory and are not restricted in their application, as are the rates shown in Table 3.

<sup>1</sup> See Table 2.



TABLE 2

IMPORT CLASS RATES FROM SHIPSIDE, PORTLAND, ME., TO  
PERCENTAGE GROUPS IN CENTRAL FREIGHT  
ASSOCIATION TERRITORY

FROM SHIPSIDE, PORT- LAND, ME., TO PERCENTAGE GROUPS	RATES IN CENTS PER 100 POUNDS							
	Classes <sup>1</sup>							
	1	2	R25	3	R26	4	5	6
A.....	39	33	28	28	22	19	16	13
71.....	45	38	33	33	26	22	18	15
74.....	48	40	34	34	27	23	19	16
76.....	49	41	35	35	28	24	20	16
78.....	51	43	36½	36	29	24	20	17
79.....	51	43	37	37	30	25	21	17
80.....	52	44	37	37	30	25	21	17
81.....	53	45	38	38	30	25	21	17
82.....	54	45	38	38	30	26	22	18
83.....	54	46	39	39	31	26	22	18
84.....	55	47	40	39	31	26	22	18
85.....	56	47	40	40	32	27	23	18
86.....	57	48	41	40	32	27	23	19
87.....	57	49	42	41	33	27	23	19
88.....	58	49	42	41	33	28	23	19
89.....	59	50	42½	42	34	28	24	19
90.....	60	51	43	42	34	29	24	20
92.....	61	52	44	43	34	29	25	20
93.....	62	52	44	44	35	30	25	20
94.....	63	53	45	44	35	30	25	21
95.....	63	54	46	45	36	30	26	21
96.....	64	54	46	45	36	31	26	21
97.....	65	55	47	46	37	31	26	21
100.....	67	57	48	47	38	32	27	22
100A.....	73	62	52	51	41	35	29	24
103.....	69	59	50	49	39	33	28	23
104.....	70	60	51	49	39	33	28	23
108.....	73	62	53	51	41	35	29	24
110.....	75	64	54	52	42	36	30	25
112.....	76	65	55	53	42	36	31	25
115.....	78	67	57	55	44	37	32	26
116.....	79	67	57	55	44	38	32	26
117.....	80	68	58	56	45	38	32	26
118.....	81	69	59	56	45	38	32	27
120.....	82	70	59½	57	46	39	33	27
122.....	84	71	60	58	46	40	34	28
122A.....	89	76	65	63	51	44	37	30

<sup>1</sup> Governed by the Official Classification.

**TABLE 3**  
**IMPORT COMMODITY RATES FROM SHIPSIDE, PORTLAND, ME., TO**  
**SPECIFIED WESTERN DESTINATIONS**

COMMODITIES	RATES <sup>1</sup> IN CENTS PER 100 POUNDS								
	FROM SHIPSIDE, PORTLAND, ME., TO								
	Bozoe City, Mich.	Cheboygan, Mich.	Chicago, Ill.	Cincinnati, Ohio	East Mississippi River Crossings	East St. Louis, Ill.	Marseilles, Ill.	Peoria, Ill.	St. Louis, Mo.
Ammonia, sulphate of, carloads .....	..	..	..	..	..	17	..	..	17
Ammonia, muriate of, and sal ammoniac, in barrels or casks, carloads .....	..	..	..	..	..	18	..	..	18
Burlaps and burlap bagging, carloads .....	..	..	..	..	..	..	..	..	19
Chalk, carloads, minimum 30,000 lbs. ....	..	..	..	..	..	17	..	..	17
Chrome alum, carloads, minimum 40,000 lbs. ....	..	..	17	..	..	..	..	..	..
Cork carpet, floor oil cloth, and linoleum, carloads, minimum 30,000 lbs. ....	..	..	..	..	..	..	..	..	32
Hides, beef, horse or calf, green salted, carloads ..	23	22	..	..	..	..	..	..	..
Oil, salad and olive, in glass, packed, less carloads .....	..	..	..	..	..	73	..	..	73
Ore, copper, carloads (when destined to Omaha, Neb.) .....	..	..	10½	..	12½	..	..	..	..
Paper, wrapping, carloads, minimum 24,000 lbs. ....	..	..	..	..	..	23	..	..	23
Rags, waste paper, jute waste, scrap jute bagging, old rope pressed in bales, in straight or mixed carloads, minimum 30,000 lbs. ....	..	..	..	..	..	13	13	13	13
Salts, epsom and glauber, carloads .....	..	..	..	..	..	19	..	..	19
Soda, ash, bi-carbonate of, bi-sulphate or bi-sulphite of, caustic, crystals, hypo-sulphate of, phosphate of, sal, silicate of, sulphate of, sulphide of sodium, sulphate of lime, sodium, tri-phosphate of, carloads, minimum 36,000 lbs. ....	..	..	..	..	..	19	..	..	19
Stones, lithographic, carloads, fully released .....	..	..	..	20	..	..	..	..	..

<sup>1</sup> Governed by the Official Classification.

TABLE 4

IMPORT COMMODITY RATES FROM SHIPSIDE, PORTLAND, ME., TO  
WESTERN DESTINATIONS

FROM SHIPSIDE, PORT- LAND, ME., TO PERCENTAGE GROUPS	RATES <sup>1</sup> IN CENTS PER 100 POUNDS							
	COMMODITIES							
	Bagging, Burlap	Cement	Potash, Muriate of	Salt	Sugar	Sulphur, Crude	Tin, Pig	Castor Beans
A.....	17	12	13	10	15	10	12	16
71.....	17	13	15	10	15	13	13	18
74.....	17	13	16	10	16	13	14	19
76.....	7	13	16	11	17	13	14	20
78.....	7	13	17	11	17	13	15	20
79.....	7	13	17	11	18	13	15	20
80.....	7	13	17	11	18	13	16	20
81.....	17	13	17	12	18	13	16	20
82.....	17	13	18	12	18	13	16	20
83.....	17	14	18	12	19	13	16	20
84.....	17	14	18	12	19	13	16	20
85.....	17	14	18	12	19	13	17	20
86.....	17	14	18	12	19	13	17	20
87.....	17	14	18	13	20	13	17	20
88.....	17	15	18	13	20	13	17	20
89.....	17	15	18	13	20	13	17	20
90.....	17	15	18	13	20	13	18	20
92.....	17	15	18	14	21	13	18	20
93.....	17	16	18	14	21	13	18	20
94.....	17	16	18	14	21	13	19	20
95.....	17	16	18	14	22	13	19	20
96.....	17	16	18	14	22	13	19	20
97.....	17	16	18	14	22	13	19	20
100.....	17	17	18	15	23	13	20	20
100A.....	20	19	20	18	25	15	22	22
103.....	18	18	19	16	24	13	21	21
104.....	18	18	19	16	24	14	21	21
108.....	19	19	20	16	25	14	22	22
110.....	19	19	20	17	26	15	22	22
112.....	19	19	21	17	26	15	23	23
115.....	20	20	21	18	27	15	23	23
116.....	20	20	21	18	27	16	24	24
117.....	20	20	22	18	27	16	24	24
118.....	21	21	22	18	28	16	24	24
120.....	21	21	22	19	28	16	25	25
122.....	21	21	23	19	29	17	25	25
122A.....	25	23	25	21	32	19	28	28

<sup>1</sup> Governed by the Official Classification.

The rates shown in Tables 2, 3, and 4, as may be seen, are based on the rates on the same commodity established from New York, the deduction of the Baltimore differentials generally producing the figures given in these tables.

### 3. VIA GULF PORTS

#### (a) *Class Rates*

The rates via Gulf ports which are authorized to apply on traffic originating in Europe, Asia, Africa, Australia, New Zealand, and the Philippine Islands are made certain differentials under the New York standard all-rail rates. The differentials at this time are as follows, in cents per 100 pounds:

Classes .....	1	2	3	4	5	6
Differentials .....	18	18	12	8	6	6

Points in Illinois and Wisconsin and points on the Ohio and Mississippi rivers are grouped in somewhat the same fashion as for southbound local rates to New Orleans and interior Mississippi Valley points.

The through rates from New York to St. Paul Territory are the New York-Chicago rates plus the differentials shown below:

Classes .....	1	2	3	4	5	6
Rates from New York to Chicago	75	65	50	35	30	25
St. Paul differentials.....	40	34	26	18	16	13
Through rates from New York to						
St. Paul.....	115	99	76	53	46	38

Observing the Mississippi River combination, as well as the domestic rate, as the maximum, rates from other ports, both Atlantic and Gulf, are made on the same basis as that to Chicago explained above.

The current class rates to some of the more important groups are set forth in Table 5.

These rates are the differentials previously stated under the current all-rail rates.

TABLE 5

CLASS RATES FROM SHIPSIDE GULF PORTS TO NORTHERN  
DESTINATIONS

GROUP NUMBERS	FROM SHIPSIDE GULF PORTS TO GROUPS	RATES IN CENTS PER 100 POUNDS					
		Classes <sup>1</sup>					
		1	2	3	4	5	6
1	Cincinnati .....	47	39	32	22	20	16
2	Indianapolis .....	52	42	35	25	22	17
3	Louisville, Chicago, Milwaukee	57	47	38	27	24	19
4	Evansville .....	65	54	43	31	27	22
5	Peoria .....	65	54	43	31	27	22
6	St. Louis .....	70	58	47	33	29	23
7	Freeport .....	74	61	49	35	31	25
8	Dubuque .....	79	66	54	39	34	27
9	St. Paul .....	97	81	64	45	40	32

<sup>1</sup> Governed by the Official Classification.

(b) *Commodity Rates*

In Table 6 is given a representative line of commodities imported through Gulf ports and the rates applicable thereon to certain defined territories or groups.

TABLE 6

COMMODITY RATES IN CENTS PER 100 POUNDS (EXCEPT AS NOTED)  
APPLICABLE FROM SHIPSIDE GULF PORTS TO  
NORTHERN DESTINATIONS

COMMODITIES	RATES <sup>1</sup> IN CENTS PER 100 POUNDS EXCEPT AS NOTED							
	FROM SHIPSIDE GULF PORTS TO NORTH- ERN DESTINATIONS IN GROUPS <sup>2</sup>							
	1	2	3	4	6	7	8	9
Potash, muriate and sulphate of	13	16	16	18	..	21	23	29
Rice, brewers' .....	15	15	15	17	15	20	22	24½
Wood pulp .....	11	13	14	16	17	18	20	25
Rags, old rope, hemp waste, etc.	..	..	..	..	15	..	..	..
Cement .....	11	13	14	16	17	18	16	..
Ferro manganese .....	280 <sup>3</sup>	308	340	386	418	441	481	660
Ferro phosphorous .....	315 <sup>3</sup>	345	380	430	465	490	530	700
Fuller's earth .....	11	13	14	16	17	18	20	27
Cocoanut oil .....	16	17	19	22	23	25	27	35
Ore, crude iron .....	211	233	260	298	325	343	384	520

<sup>1</sup> Governed by the Official Classification.

<sup>2</sup> See Table 5.

<sup>3</sup> Per gross ton, 2,240 pounds.

In connection with the application of differential rates, the following rules obtain in establishing rates on commodities via Gulf ports: (1) On commodities taking less than the sixth-class rate, the sixth-class differentials apply; and (2) on commodities taking the sixth-class rate or a higher rate, the differential applying to the class nearest said commodity rate applies, except where the commodity rate is exactly intermediate between two class rates, in which event the lower differential applies.

Thus, for example, should a commodity rate be established on a basis of 70 cents from New York to Chicago, the second-class differential would be applied, as the commodity rate on a basis of 70 cents is exactly between the first-class and the second-class rates. If, on the other hand, a commodity rate were established on a basis of 71 cents, the first-class differential would be deducted, as that is the class which the commodity rate most nearly approximates. On the other hand, if a commodity rate were established between New York and Chicago which was the same as the class rate, the differential for that class would be deducted in order to establish the corresponding rates via Gulf ports.

CHAPTER III

**IMPORT CLASS RATES TO POINTS WEST OF THE  
MISSISSIPPI RIVER**

1. MISSOURI RIVER TERRITORY

This territory may be defined as the territory on and adjacent to the Missouri River from Kansas City, Kan., to Sioux Falls, S. D., inclusive. The rate structure in general adheres closely to that employed in establishing domestic rates, which was explained in the treatise devoted to the construction of freight rates in Western Territory.

*(a) Class Rates from New York, N. Y.*

The rates from New York are arbitrarily established, that is, the general basis, which would be a combination on Chicago or the Mississippi River, is disregarded and rates are established without reference thereto. This is necessary, as there is such a difference between the rates from New York and from the Gulf ports that unless the Gulf rates were equalized in a measure by the trunk lines the traffic would be forced via these ports.

Employing the all-rail combination of rates, the through rates from New York to Missouri River points are as follows:

Classes .....	1	2	3	4
Rates from New York to St. Louis...	88	76	59	41
Rates from St. Louis to Kansas City	55	41	32	24
Through rates .....	143	117	91	65

This is the lowest domestic basis.

On the other hand, the through rates from the Gulf ports, made by combining the import rates to St. Louis, Mo., with the domestic proportional rates therefrom, are as follows:

Classes .....	1	2	3	4
Rates from Gulf ports to St. Louis...	70	58	47	33
Rates from St. Louis to Kansas City	55	41	32	24
Through rates .....	125	99	79	57

The domestic rates from New Orleans, La., to Kansas City, Mo., are as follows:

Classes .....	1	2	3	4
Rates .....	110	85	65	53

As the import rates are in no case to exceed the domestic rates, the domestic rates from New Orleans, La., are applied on import traffic through the Gulf ports. The rates from New York are made by adding the following differentials to the rates so established from the Gulf ports:

Classes ....	1	2	3	4	5	A	B	C	D	E
Differentials	18	18	12	8	6	6	6	6	6	6

The rates currently in effect from New York, N. Y., to the various Missouri River groups are shown in Table 7.



These rates are the differentials stated above over the rates from New Orleans shown in Table 9 to the same groups.

TABLE 7

CLASS RATES FROM NEW YORK, N. Y., TO MISSOURI RIVER GROUPS  
VIA ALL-RAIL ROUTES

GROUP NUMBERS	FROM NEW YORK, N. Y., TO	RATES IN CENTS PER 100 POUNDS									
		Classes <sup>1</sup>									
		1	2	3	4	5	A	B	C	D	E
I	Atchison, Kan.....										
	Kansas City, Mo....										
	Kansas City, Kan...	128	103	77	61	44	48	43	33	30	29
	Leavenworth, Kan..										
	St. Joseph, Mo.....										
II	Council Bluffs, Iowa.										
	Nebraska City, Neb.										
	Omaha, Neb.....	133	108	81	65	47	51	46	36	33	32
	South Omaha, Neb..										
III	Sioux City, Iowa....	138	113	85	68	49	53	48	38	35	34
IV	Sioux Falls, S. D...	143	118	89	69½	51	55	50	40	37	36
V	Fremont, Neb.....	138	113	85	69	50	54	49	39	36	35
	Lincoln, Neb.....										

<sup>1</sup> Governed by the Western Classification.

(b) *Commodity Rates from New York, N. Y.*

The commodity rates applicable from New York to the corresponding groups of destination shown in Table 7 are reproduced in Table 8.

The competition for import traffic is exceedingly aggressive, with the result that these rates frequently change. The rates reproduced in this treatise are for the purpose of conveying some idea as to the general adjustment and are not intended for use in actual business.

TABLE 8

COMMODITY RATES FROM NEW YORK, N. Y., TO MISSOURI RIVER  
GROUPS VIA ALL-RAIL ROUTES

COMMODITIES IN CARLOADS EXCEPT AS NOTED	RATES <sup>1</sup> IN CENTS PER 100 POUNDS EXCEPT AS NOTED				
	FROM NEW YORK TO GROUPS <sup>2</sup>				
	I	II	III	IV	V
Bagging, burlap.....	34	34	34	38	37
Bagging, burlap, L. C. L....	62	66	70	74	71
Beans, castor.....	41	44½	51½	51½	47½
Cement .....	22½	25½	25½	27½	28½
Clay .....	30	30	30	30½	33
Fuller's earth .....	26	29	31	32	32
Ferro manganese .....	945 <sup>3</sup>	945	945	967	1005
Ferro phosphorous.....	970 <sup>3</sup>	1038	1078	1100	1098
Ferro silicon .....	945 <sup>3</sup>	945	945	967	1005
Iron and steel, pig iron...	658	725	770	814	785
Cocoanut oil.....	36	36			40
Ore, crude iron, in bulk..	658	690	690	712	750
Rags .....	31	31	31	31½	34
Seed, flax.....	40	40	47½	47½	43
Wood pulp.....	26				
Zinc, oxide, dry, in bbls...	43	43	43	44	46

<sup>1</sup> Governed by the Western Classification.

<sup>2</sup> See Table 7.

<sup>3</sup> Per gross ton of 2,240 pounds.

*(c) Class Rates from Gulf Ports*

The class rates currently in effect from the Gulf ports to Missouri River groups are as shown in Table 9.

These rates are, as has been previously stated, the local rates applying from New Orleans, La., to Missouri River Territory and are extended in their application to apply from other Gulf ports.

TABLE 9

CLASS RATES APPLYING FROM NEW ORLEANS, LA., TO MISSOURI  
RIVER GROUPS

GROUP NUMBERS	FROM NEW ORLEANS TO GROUPS	RATES IN CENTS PER 100 POUNDS									
		Classes <sup>1</sup>									
		1	2	3	4	5	A	B	C	D	E
I	Kansas City.....	110	85	65	53	38	42	37	27	24	23
II	Omaha .....	115	90	69	57	41	45	40	30	27	26
III	Sioux City.....	120	95	73	60	43	47	42	32	29	28
IV	Sioux Falls.....	125	100	77	61½	45	49	44	34	31	30
V	Cedar Rapids....	2	2	2	2	41	45	40	30	27	26
VI	Lincoln .....	120	95	73	61	44	48	43	33	30	29

<sup>1</sup> Governed by the Western Classification.<sup>2</sup> The class rates applicable to East St. Louis, Ill., are: First class, 70 cents; second class, 58 cents; third class, 47 cents; and fourth class, 33 cents. These rates, in connection with the proportional rates established therefrom (see Part I of Freight Rates—Western Territory, Chapter II), apply as proportional rates to the Mississippi River Crossings in the construction of through rates.

TABLE 10

COMMODITY RATES FROM NEW ORLEANS, LA., TO MISSOURI  
RIVER GROUPS

COMMODITIES IN CARLOADS EXCEPT AS NOTED	RATES <sup>1</sup> IN CENTS PER 100 POUNDS EXCEPT AS NOTED					
	FROM NEW ORLEANS TO GROUPS <sup>2</sup>					
	I	II	III	IV	V	VI
Cocoonut oil.....	33	33	45	..	..	37
Bagging, burlap.....	28	28	28	32	..	31
Bagging, burlap, L. C. L..	50	54	58	62	..	58
Cement .....	16½	19½	19½	21½	20	22½
Clay .....	25	25	25	25½	..	28
Fuller's earth.....	20	23	25	26	20½	26
Ferro manganese.....	828 <sup>3</sup>	828	828	850	..	888
Ferro phosphorous.....	850 <sup>3</sup>	913	913	935	..	973
Ferro silicon .....	884 <sup>3</sup>	884	884	906	..	944
Ore, crude iron.....	538 <sup>3</sup>	593	593	615	..	653
Rags .....	27	30	31	31½	..	33
Seed, flax.....	37	37	37	42	..	40
Zinc, oxide.....	37	37	37	38	..	40

<sup>1</sup> Governed by the Western Classification.<sup>2</sup> See Table 9.<sup>3</sup> Per gross ton, 2,240 pounds.

*(d) Commodity Rates from Gulf Ports*

The commodity adjustment follows very closely the one employed in connection with the class rates, that is, the local rates from New Orleans are applied from other Gulf ports. There are, however, many commodity rates established which are less than the local rates and are made to equalize the competition via North Atlantic ports. A representative list of these commodity rates is shown in Table 10.

It may be noted, in passing, that these rates are almost uniformly six cents per 100 pounds less than the rates shown applying from New York, N. Y., in Table 8.

TABLE 11

CLASS RATES TO OKLAHOMA POINTS FROM SHIPSIDE GULF PORTS

FROM SHIPSIDE GULF PORTS TO	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
Ardmore .....	95	86	72	68	52	56	49	38	27	20
Ada .....	121	106	90	82	64	69	60	48	37	30
Chickasaw .....	121	106	90	82	64	69	60	48	37	30
Elreno .....	133	115	98	89	70	75	65	53	42	35
Aenead .....	140	122	105	96	75	80	71	58	47	39
Guthrie .....	133	115	98	89	70	75	65	53	42	35
King-Fisher .....	153	115	98	89	70	75	65	53	42	35
Lawson .....	121	106	90	82	64	69	60	48	37	30
McAllister .....	121	106	90	82	64	69	60	48	37	30
Muskogee .....	124	109	94	89	70	73	65	53	42	35
Oklahoma City....	133	115	98	89	70	75	65	53	42	35
Perry .....	140	122	105	96	75	80	71	58	47	39
Shawnee .....	133	115	98	89	70	75	65	53	42	35

<sup>1</sup> Governed by the Western Classification.

*(e) Class Rates to Oklahoma Stations from Gulf Ports*

It might be inferred that from Galveston, Tex., at least, the Missouri River rate structure would form a barrier which would have some effect on the rates from that point to intermediate points. That it does not, is evident by a line of class rates to a few stations in Oklahoma which are intermediate in a measure to the Kansas City Group of stations, and from Table 11 it may be observed that the rates to the majority of these points are greatly in excess of the rates to the Missouri River points.

*(f) Commodity Rates to Oklahoma Points from Ship-side Gulf Ports*

A general line of commodity rates is not established to all Oklahoma stations, rates being published on only such commodities as actually move or are consumed at interior points in the state of Oklahoma.

*(g) Rates to Points in Arkansas and Louisiana*

A few import rates are published from Shipperside Gulf ports to points of destination in the states of Arkansas and Louisiana. No general basis, however, is employed in establishing such rates, for the application of the local rate from the Gulf port of entry is applied as the import rate and is usually low enough to secure the traffic for the Gulf lines. These points, by virtue of their location, obtain reasonably low rates from Gulf ports, establishing a competition that the trunk lines cannot meet.

*(h) Import Rates to Southeastern Territory*

Import rates are published to what is generally known as Southeastern Territory from Gulf ports on the one hand and from South Atlantic Seaboard ports on the other. This Southeastern Territory is located south of the Ohio River and east of the Mississippi River.<sup>1</sup>

Rates from South Atlantic Seaboard ports are published from such ports as Savannah and Port Royal, but no general basis is employed in constructing such import rates. In fact, there are only a few scattering import commodity rates published, these rates being on such articles as fertilizer material, ferro manganese, manganese ore, etc., and these import rates are made according to the rates from other ports to other points of consumption. Of course, the fact is taken into consideration that the time required on the water is less than the time required to the Gulf ports; also the rate of insurance is lower than to the Gulf ports.

Import rates to Southeastern Territory are published from the Gulf on the basis of the lowest domestic rate from one port plus the handling charge. This rate is applied from all the Gulf ports, New Orleans, La., and east, there being no import rates published from Texas ports of entry to Southeastern Territory. A few import commodity rates are published, however, from Shippside New Orleans and Westwego, La., and Galveston and Texas City, Tex., to Memphis, Tenn. These rates are made in relation to the commodity in question, or they are the domestic rates from one port applied as import rates from all ports mentioned above.

<sup>1</sup> This territory is shown on Map 5 of the Atlas of Traffic Maps.

In the absence of import rates from the ports of entry, the regular domestic rates from such ports are applied as the import rates to points of destination. These rates are subject to the rules and regulations published by the individual lines in the Terminal Circulars governing the importation of articles from the port in question.

*(i) Rates to Utah and Colorado Common Points*

The grouping of the territory to which the rates to Colorado Common Points and Utah Common Points are extended is practically the same as that used in the establishment of domestic rates. The Colorado Common Points comprise stations north and south of Denver, as far north as Cheyenne, Wyo., and as far south as Royce, N. M., embracing stations on and adjacent to this line, while the Utah Common Points take in stations located near Salt Lake City and Ogden, Utah.

*Rates From Eastern Seaboard Cities.*—The rates from New York and other North Atlantic ports are made on the Chicago, the Mississippi River, or the Missouri River combination, whichever produces the lowest rate, using the import rate from New York to Chicago, to the Mississippi River, or to the Missouri River, as the case may be, plus the local or proportional rate beyond. As there are no import class rates established that are less than the domestic rates to either Chicago or the Mississippi River, the lowest available combination would be that made on the Missouri River. Taking New York, N. Y., as a point of origin and adding to the import rates to Kansas City, which rates are shown in Table 7, the rates from the Missouri River to the Colorado Common Points or the Utah Common Points, a scale of rates somewhat

less than those currently in effect on domestic traffic is obtained. For example, the through rates from New York to the Colorado Common Points are as follows, using the Missouri River combination:

Classes . . . . .	1	2	3	4	5	A	B	C	D	E
Rates from New York to Missouri River . . .	128	103	77	61	44	48	43	33	30	29
Rates from Missouri River to Colorado Common Points . . .	115	92	74	60	47	56	42	37	33	29
Through rates . . .	243	195	151	121	91	104	85	70	63	58

This basis is somewhat less than the basis for the domestic rates, for, in the case of the domestic rates, the lowest available combination from New York via all-rail routes is made on the Mississippi River. The first-class rate of 88 cents from New York to the Mississippi River plus the first-class rate from the Mississippi River to the Colorado Common Points makes a through rate of \$2.60 as contrasted with \$2.43 in the above illustration.

For example, the through rates from New York to Colorado Common Points are as follows, using the Mississippi River combination:

Classes . . . . .	1	2	3	4	5	A	B	C	D	E
Rates from New York to Mississippi River . . .	88	76	59	41	35	29	29	29	29	29
Rates from Mississippi River to Colorado Common Points	162	129	101	80½	63	74	56	50	42	36
Through rates . . .	250	205	160	121½	98	92	85	79	71	65



It may be observed that some of these rates are the same as the domestic rates.

The rates to the Utah Common Points are established by using the import class rates to the Missouri River plus the local rates therefrom.

Classes . . . . .	1	2	3	4	5	A	B	C	D	E
Rates from New York to Missouri River . . . . .	128	103	77	61	44	48	43	33	30	29
Rates from Missouri River to Salt Lake City . . . . .	190	162	142	119	98	98	77	70	50	42
Through rates	318	265	219	180	142	146	120	103	80	71

These rates are somewhat less than the rates that obtain under the domestic-rate adjustment.

*Rates from Gulf Ports.*—The Gulf ports have such an advantage over the North Atlantic ports, by virtue of their close proximity to these territories, that it might be inferred that the import rates would not differ materially from those in effect on domestic traffic. Such, however, is not the case. In Table 12 are set forth the class rates applicable from Shipside Gulf ports to Denver, Colo., and Salt Lake City, Utah, and in Table 13 is set forth a representative list of commodities.

TABLE 12

CLASS RATES APPLICABLE FROM SHIPSIDE GULF PORTS TO DENVER,  
COLO., AND SALT LAKE CITY, UTAH

FROM SHIPSIDE GULF PORTS TO	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
Denver, Colo., and Group .....	180	148	110	84	65	81	62	52	435	36
Salt Lake City, Utah, and Group	288	243	203	166	132	137	110	92	645	55

<sup>1</sup> Governed by Western Classification No. 50 (F. J. Hoffman's I. C. C. No. 8), supplements thereto and reissues thereof.

TABLE 13

COMMODITY RATES APPLICABLE FROM SHIPSIDE GULF PORTS TO  
DENVER, COLO., AND SALT LAKE CITY, UTAH

COMMODITIES <sup>1</sup>	RATES <sup>2</sup> IN CENTS PER 100 POUNDS EXCEPT AS NOTED	
	FROM SHIPSIDE GULF PORTS TO	
	Denver, Colo. and Group	Salt Lake City, Utah, and Group
Bagging and bags, burlap, gunny, or jute, C. L. minimum weight 30,000 lbs.....	55	.....
Bags, burlap, gunny, or jute, also burlaps, C. L. minimum weight 30,000 lbs.....	.....	115
Cement, common, natural, hydrau- lic, or portland, C. L. minimum weight 40,000 lbs.....	30	.....
Clay, C. L. minimum weight 50,000 lbs. ....	30	.....
Ore, iron, C. L. minimum weight 56,000 lbs.....	\$61 <sup>3</sup>	.....
Rice, brewers', C. L. minimum weight 30,000 lbs.....	33	68 <sup>4</sup>
Tin plate, C. L. minimum weight 36,000 lbs.....	565	91

<sup>1</sup> Commodities embraced in the same item may be shipped in mixed carloads, unless otherwise specified.

<sup>2</sup> Governed by Western Classification No. 50 (F. J. Hoffman's I. C. C. No. 8), supplements thereto and reissues thereof.

<sup>3</sup> Per gross ton, 2,240 pounds.

<sup>4</sup> Minimum weight 40,000 pounds.

*(j) Rates to Pacific Coast Terminals*

While there are no import class rates applicable on traffic from Eastern ports of entry to Pacific Coast Terminal Points, there are commodity rates applying from New Orleans, La., Galveston, Port Voliver, and Texas City, Tex., applicable upon all traffic originating in foreign countries. These rates are generally constructed on a basis 10 per cent under the rates from New York in order to influence import traffic destined to California to move through the Gulf ports, as it is generally conceded that superior steamship service is to be had to the North Atlantic ports of entry. Further than this, there is quite a movement of traffic from Europe destined to California Terminals and adjacent territory which moves by way of the Suez Canal. This latter route, while affording a much slower movement, offers rates which are, to some extent, lower than those that obtain in connection with the Trans-Continental railroads of this country.

Table 14 illustrates some of the existing rates applicable upon specified commodities from Gulf ports to California Terminals.

These rates are usually confined to manufactures or articles of food, very few rates being named throughout the tariff on crude materials or articles, for the reason that these commodities when imported to Pacific Coast destinations usually move via all-water routes.

TABLE 14

PROPORTIONAL COMMODITY RATES APPLICABLE FROM SHIP'SIDE,  
NEW ORLEANS, LA., AND GALVESTON AND TEXAS CITY,  
TEX., TO CALIFORNIA TERMINALS

COMMODITIES	CARLOADS	LESS THAN CARLOADS
Bagging, burlap .....	76	112
Canned goods .....	85	135
Earthenware, stoneware, and crockery .....	85	135
Fuller's earth .....	50	135
Iron and steel articles, cast iron pipe .....	58	.....
Tea .....	112	171
Varnish in barrels or in cans.....	85	117

A similar line of rates is established to North Pacific Coast points, but to intermediate points rates are constructed in much the same manner as are the domestic rates. The method that has been employed up to the time the Interstate Commerce Commission announced its decision in the Intermountain Rate Cases was to apply the rate to the Terminal plus the local domestic rate back to destination. However, as the Commission has condemned this practice, the proportional import commodity rates will have to be adjusted in conformity with their order respecting the construction of rates on domestic traffic.

## CHAPTER IV

### IMPORT RATES FROM OTHER THAN EUROPEAN COUNTRIES

The foregoing chapters having been devoted to an exposition of the general basis for the construction of import rates from European countries, the basis for rates applicable from countries other than these will now be taken up.

#### 1. VIA ATLANTIC SEABOARD PORTS

The import rates from the Atlantic Seaboard on business originating in South and Central America, the West Indies Islands, and the Maritime Provinces of the Dominion of Canada are the same, in general, as on business originating in Europe, although in several instances a lower basis of rates sometimes obtains. The carriers' practice of making a different rate for export or import traffic, depending on the points of origin or destination, has not been condemned by the Interstate Commerce Commission.

Generally speaking, the import rates from the Atlantic Seaboard Ports are the same, regardless of the country in which the shipment originates. This, however, is not true in so far as the Gulf ports are concerned.

#### 2. VIA GULF PORTS

Import rates are published to cover shipments originating in other countries from all Gulf ports. These rates

are the lowest available domestic or local rates from one Gulf port to a point of destination, which rates are applied from all other Gulf ports as an import rate. For example, if the rate from Galveston, Tex., to an interior destination on a given commodity is 35 cents per hundredweight, from New Orleans, La., 25 cents per hundredweight, and from Mobile, Ala., 47 cents per hundredweight, the New Orleans rate is applied from Galveston and Mobile. This places all the Gulf ports on an equal footing in so far as the traffic is concerned.

The same basis is applied to the Missouri River and to Western Territory as is applied to the Mississippi River, Chicago, and points in Central Freight Association Territory, except that interested carriers have, in some instances, used the New York or Baltimore rates as a maximum to Central Freight Association Territory. This basis does not extend to the Missouri River because the rates from the Atlantic Seaboard to the Missouri River are based upon the Mississippi River combination. The same basis is employed in constructing the rates from the Gulf to the Missouri River, that is, the rate from the Gulf to the Mississippi River plus the local or the proportional rate, whichever is lower, from the Mississippi River to the Missouri River, would be the through import rate from the Gulf. This feature, however, was explained in the Missouri River rate adjustment.

### 3. MEXICAN IMPORT TRAFFIC

There are through all-rail import rates published from points in Mexico to points in the United States, on the principal commodities that are exported by Mexico. These through rates are constructed on combinations of the rates to and from Rio Grande Crossings or International Border Points plus the local rates therefrom.

The Rio Grande Crossings are Brownsville, Laredo, Eagle Pass, and El Paso, Tex., while the International Border Points are Douglas, Naco, and Nogales, Ariz.

(a) *Local Rates*

The local rates of the Mexican lines are established in Mexican currency per 1,000 kilos and apply only to the Rio Grande Crossings or International Border Points.

In constructing combination rates, it is necessary to convert the Mexican rate per 1,000 kilos into United States currency per 100 pounds, and this requires that the rate of exchange be ascertained from some banking or financial organization. The term "rate of exchange" is employed to indicate rates employed in converting the money of one country into its equivalent in the money of another.

In so far as Mexico is concerned, the rate of exchange is in favor of the United States, because a debt of \$500 in Mexican currency can be liquidated with less than half of that amount in United States bullion; or, in other words, a Mexican dollar is worth less than fifty cents when taken in exchange for United States currency.

The current rate of exchange from Mexican currency into United States currency is in the neighborhood of 400, this figure fluctuating to some extent.

In Table 15 is given a range in the rate of exchange from 190 to 225, inclusive, this table indicating the decimals to be used in converting Mexican rates in dollars and cents per 100 kilos into dollars and cents per 100 pounds United States currency. The figures shown in this table may be used to convert Mexican money per 1,000 kilos into United States money per 100 pounds, and vice versa.

TABLE 15  
EQUIVALENTS OF AMERICAN AND MEXICAN MONEY

TO REDUCE UNITED STATES MONEY PER 100 LBS., MULTIPLY RATE BY	WHEN RATE OF EXCHANGE IS	TO REDUCE MEXICAN MONEY PER 1,000 KI- LOS, MULTIPLY RATE BY
41.89	190	.02387
42.11	191	.02375
42.33	192	.02363
42.55	193	.02350
42.77	194	.02338
42.99	195	.02326
43.21	196	.02314
43.43	197	.02303
43.65	198	.02291
43.87	199	.02279
44.09	200	.02268
44.31	201	.02257
44.53	202	.02246
44.75	203	.02234
44.97	204	.02224
45.19	205	.02213
45.41	206	.02202
45.64	207	.02191
45.86	208	.02181
46.08	209	.02170
46.30	210	.02160
46.52	211	.02150
46.74	212	.02140
46.96	213	.02130
47.18	214	.02120
47.40	215	.02110
47.62	216	.02100
47.84	217	.02091
48.06	218	.02081
48.28	219	.02071
48.50	220	.02062
48.72	221	.02052
48.94	222	.02043
49.16	223	.02034
49.38	224	.02025
49.60	225	.02016

To convert kilos to pounds multiply kilos by 2.2046.

To convert pounds to kilos multiply pounds by .4536.

Fractions of  $\frac{1}{16}$  and over are considered as a whole; fractions under  $\frac{1}{16}$  are dropped.



To illustrate the application of Table 15, the current class rates on the Sonora Railroad from Nogales, Ariz., to Hermosillo, in the state of Sonora, Mex., in Mexican dollars and cents per 1,000 kilos, are:

Classes	1	2	3	4	5	6	7	8	9	10	11	12
Rates.	20.08	18.17	17.41	16.46	15.5	14.56	13.80	13.21	12.45	11.69	11.12	10.03

These rates are governed by the Mexican Classification. The rate of exchange between these points in July, 1914, was 400 and the multiplicand was half of that applicable when the rate of exchange was 200, or .01134. To reduce the above scale, which is in Mexican dollars and cents per 1,000 kilos, to United States money in cents per 100 pounds, multiply each of the above rates by this figure. The following scale is obtained:

Classes	.....	1	2	3	4	5	6	7	8	9	10	11	12
Rates	.....	23	21	20	19	18	17	16	15	14	13	13	12

These rates plus the rates to Nogales, Ariz., form the through rates from any point in the United States to Hermosillo, Mex.

As 2,204.6 pounds is the equivalent of 1,000 kilos, multiplying this figure by 23 cents shows that the charge would be \$5.07 in United States currency for this weight as contrasted with \$20.08 in Mexican currency for the same weight.

### *(b) Rail-and-Water Rates*

For a number of years several established lines of

steamers have served the North Atlantic and Gulf ports on traffic originating at or destined to Mexico. The business was handled through the ports of Vera Cruz and Tampico. The rates between the ports, for example, between Galveston and Tampico or between New York and Vera Cruz, being all-water rates, they are not filed with the Interstate Commerce Commission and fluctuate to some extent. No joint through rates are established from Atlantic Seaboard Territory, the rates being made on a combination of the rates to and from the port. The rate so produced is sufficiently lower than the all-rail rates to influence the traffic via this route.

Interior points in Mexico are reached in the same manner, that is, by using the local rates from the port of entry or transshipment to or from the interior points.

The same procedure is followed with regard to traffic imported through the Gulf ports, a combination of the local rates to and from the ports with the rates of the water lines being employed in establishing through rates.

#### 4. IMPORT RATES VIA PACIFIC COAST PORTS OF ENTRY

The bulk of the imports through Pacific Coast ports of entry are confined to traffic originating in the Orient, Australia, and the Hawaiian Islands, although frequently shipments are received from Europe, particularly from the Mediterranean countries, these shipments being forwarded by way of the Suez Canal.

*(a) Grouping of Interior Destinations*

The eastern part of the United States is grouped in identically the same manner as for the construction of domestic rates, the various groups being outlined, in general, on Map 7 of the Atlas of Traffic Maps. When an import commodity rate is established it is usually blanketed or applied to all these groups.

*(b) Class Rates*

The class rates currently in effect from North Pacific and California terminals to Eastern groups of destination are shown in Table 16. These rates apply also on shipments for which no commodity rate is provided.

These rates, as may be observed, are the same as the domestic rates, with the exception that from some points in British Columbia they afford a slightly lower basis. This is also true in so far as some of the coast cities in California are concerned. When import rates are established on import traffic they are usually applied from all ports of entry.

*(c) Application of Rates*

The extent of the application of Trans-Continental rates on traffic imported to Pacific coast ports is defined below, the current rules in the Trans-Continental Freight Association's Tariff with respect to this traffic being set forth.

TABLE 16

CLASS RATES CURRENTLY IN EFFECT FROM NORTH PACIFIC AND  
CALIFORNIA TERMINALS TO EASTERN GROUPS OF DESTINATION

FROM VANCOUVER, VICTORIA, B. C., SEATTLE, TACOMA, WASH., ALBINA, EAST PORTLAND, PORTLAND, ORE., TO GROUPS <sup>1</sup> . . . .	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>2</sup>									
	1	2	3	4	5	A	B	C	D	E
A. . . . .	370	320	265	225	190	192	152	120	115	105
B. . . . .	360	310	260	220	185	187	148	117	112	100
C. . . . .	350	303	252	215	180	182	145	115	110	98
D. . . . .	340	295	245	207	175	177	140	110	105	95
E. . . . .	330	285	238	200	168	172	135	105	102	92
F. . . . .	300	260	220	183	160	160	123	95	93	85
G. . . . .	300	260	220	183	160	160	123	95	93	85
H. . . . .	300	260	220	183	160	160	123	95	93	85
J. . . . .	260	225	190	160	140	140	107	83	80	73

FROM EAST SAN PEDRO, OAKLAND, REDONDO BEACH, SAN DIEGO, SAN FRANCISCO, SAN PEDRO, CAL., TO GROUPS <sup>1</sup>	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>2</sup>									
	1	2	3	4	5	A	B	C	D	E
A. . . . .	370	320	265	225	190	192	152	120	115	105
B. . . . .	360	310	260	220	185	187	148	117	112	100
C. . . . .	350	303	252	215	180	182	145	115	110	98
D. . . . .	340	295	245	207	175	177	140	110	105	95
E. . . . .	330	285	238	200	168	172	135	105	102	92
F. . . . .	300	260	220	183	160	160	123	95	93	85
G. . . . .	280	242	205	170	150	150	115	90	87	78
H. . . . .	280	242	205	170	150	150	115	90	87	78
J. . . . .	260	225	190	160	140	140	107	83	80	73

<sup>1</sup> See Map 7, Atlas of Traffic Maps.<sup>2</sup> Governed by the Western Classification.

## APPLICATION OF RATES

## VIA CALIFORNIA TERMINALS

## RATES ON IMPORT TRAFFIC VIA PACIFIC COAST PORTS

(A) In the absence of import rates from San Francisco, San Pedro, San Diego, Redondo Beach, and East San Pedro, Cal., shipments originating at points in Asia, Philippine Islands, Australia, New Zealand, Fiji Islands, or beyond, are subject to rates from San Francisco, Cal.

(B) Rates as authorized in paragraph (A) apply from shipside at wharves at San Francisco, San Pedro, San Diego, Redondo Beach, and East San Pedro, Cal., served by the tracks of the initial rail carriers, parties hereto, as well as from the stations of said initial rail carriers at San Francisco, San Pedro, San Diego, Redondo Beach, and East San Pedro, Cal.

(C) The rates authorized in paragraphs (A) and (B) are applied only when satisfactory proof is furnished initial rail carrier, party hereto, that shipments originated at points in Asia, Philippine Islands, Australia, New Zealand, Fiji Islands, or beyond.

## RATES APPLYING ON TRAFFIC ORIGINATING AT POINTS IN HAWAIIAN ISLANDS

(A) On traffic originating at points in the Hawaiian Islands and destined to points in the United States and Canada, when consigned through the port of San Pedro, San Diego, Redondo Beach, or East San Pedro, Cal., the rates authorized to apply from San Francisco, Cal., also apply from shipside at the wharves at San Pedro, San Diego, Redondo Beach, or East San Pedro, Cal., served by the tracks of the Atchison, Topeka & Santa Fe Railway (Coast Lines), San Pedro, Los Angeles & Salt Lake Railroad and Southern Pacific Company, respectively.

(B) The rates authorized in paragraph (A) are applied only when satisfactory proof is furnished initial rail carrier, party hereto, that shipments originated at Hawaiian Islands.

## RATES APPLYING ON TRAFFIC ORIGINATING AT POINTS IN MEXICO, CENTRAL AMERICA, OR SOUTH AMERICA

(A) On traffic originating at points in Mexico, Central America, or South America, and destined to points in the United States or Canada, when consigned through the port of East San Pedro, San Pedro, San Diego, or Redondo Beach, Cal., the rates authorized from San Francisco, Cal., also apply from shipside at the wharves at East San Pedro, San Pedro, San Diego, or Redondo Beach, Cal., served by the tracks of the Atchison, Topeka & Santa Fe Railway (Coast Lines), San Pedro, Los Angeles & Salt Lake Railroad and Southern Pacific Company, respectively.

(B) The rates authorized in paragraph (A) are applied only when satisfactory proof is furnished initial carrier, party hereto, that shipments originated in Mexico, Central America, or South America.

VIA NORTH PACIFIC COAST TERMINALS

RATES ON TRAFFIC ORIGINATING IN HAWAIIAN ISLANDS AND ON IMPORT TRAFFIC VIA PACIFIC COAST PORTS

(A) In the absence of import rates from Vancouver, Victoria, B. C., Seattle, Tacoma, Wash., Albina, East Portland, and Portland, Ore., shipments originating at points in Asia, Philippine Islands, Australia, New Zealand, Fiji Islands, or beyond, are subject to rates named herein from Vancouver, Victoria, B. C., Seattle, Tacoma, Wash., Albina, East Portland, and Portland, Ore.

(B) Rates as authorized in paragraph (A) apply from shipside at wharves at Vancouver, Victoria, B. C., Seattle, Tacoma, Wash., Albina, East Portland, and Portland, Ore., served by the tracks of the rail carriers, parties hereto, as well as from the stations of said rail carriers at Vancouver, Victoria, B. C., Seattle, Tacoma, Wash., Albina, East Portland, and Portland, Ore.

(C) The rates authorized in paragraphs (A) and (B) are applied only when satisfactory proof is furnished initial rail carriers, parties hereto, that shipments originated at Hawaiian Islands, Asiatic points, Philippine Islands, Australia, New Zealand, Fiji Islands, or beyond.

From this it is seen that through California Terminals a distinction is made as to whether the traffic originates in the Far East, in the Hawaiian Islands, in Mexico, in Central America, or in South America. While there are North Pacific Coast Terminals, no cognizance is taken of traffic originating in the latter countries. However, via North Pacific Coast Terminals, on several commodities peculiar to Central America, rates are published to apply from North Pacific ports of entry. With these exceptions, however, the rate applicable upon domestic traffic would be applied via North Pacific Coast ports of entry.

Traffic, in general, originating in South America, Central America, or the Republic of Mexico is discharged

by the boat lines through the southern California Terminals, very little of the traffic being transported north of San Francisco.

The intent of this application of rate basis is to confine the application of these import rates to bona fide import shipments and to remove the possibility of their being applied on traffic originating at points on the Pacific seacoast and transported by vessel to the various terminal points.

#### *(d) Commodity Rates*

In Table 17 are shown some of the rates applicable upon commodities imported through the Pacific Coast ports to points in the United States and Canada. These commodities are, in a great measure, as may be noted, peculiar to the Orient, although such familiar items as cigars, peanuts, and rice are encountered.

### 5. CUBAN TRAFFIC

As is the case in regard to the Republic of Mexico, the Island of Cuba, especially the port of Havana, enjoys a very efficient steamship service. A number of established lines have for years maintained sailings between that port and the more important ports on the seaboard of the United States.

No through rates, however, are published to interior destinations on traffic exported from that island, through rates being made by a combination of the local rates to and from the ports of entry or by the establishment of proportional rates applicable therefrom. These propor-

TABLE 17

IMPORT COMMODITY RATES FROM PACIFIC COAST PORTS TO POINTS  
IN UNITED STATES AND CANADA

COMMODITIES <sup>1</sup>	RATES <sup>2</sup> IN CENTS PER 100 POUNDS	
	Less Than Carloads	Carloads
Bamboo, split, in packages.....	150	...
Camphor, crude, in packages.....	100	80
Cigars .....	225	200
Cocoa beans, in packages.....	135	85
Curios, toys, metal ornaments, soapstone ornaments, Nipponoid ornaments, not otherwise indexed by name herein, in packages, valuation not exceeding \$10.00 per 100 pounds .....	150	...
Curios, toys, metal ornaments, soapstone ornaments, Nipponoid ornaments, not otherwise indexed by name herein, in packages .....	200	....
Fire crackers, straight carloads, or in mixed carloads, with joss sticks, in packages.....	125	100
Gum kowrie, minimum carload weight 40,000 pounds .....	..	60
Gums, including gum copal, gum damar, gum kowrie, East India gum, Manila gum, gambier and bird lime, in packages.....	125	80
Lacquered ware, in boxes.....	125	100
Liquors, Japanese and Chinese alcoholic or spirituous wines and liquors (not including champagne): In barrels or iron drums....	250	...
In glass .....	275	...
Loofahs, compressed in bales.....	300	....
Matting, matting rugs, matting grass, straw fibre and straw fibre table mats, in packages, minimum carload weight 20,000 pounds .....	125	100
Silk, raw, spun and silk goods, in packages...	400	...
Skins, kangaroo, opossum, rabbit, wallaby, and wombat, minimum carload weight 20,000 pounds .....	155	100
Wool, in grease, in bales, compressed, minimum carload weight 24,000 pounds.....	..	80

<sup>1</sup> Minimum carload weight 30,000 pounds, except as otherwise provided.<sup>2</sup> Governed by the Western Classification.



tional rates are to be used in connection with the rates announced from time to time by the ocean carriers.

The competition of the various routes, the services afforded by each, and the ports they serve, are worthy of some consideration. Key West, Fla., has the advantage of location, as the passage between the ports can be effected within eight hours. New Orleans and Mobile are about equally distant from Havana via the respective lines serving the ports, viz., the Munson Line, serving the port of Mobile, and the Morgan Line, serving the port of New Orleans. The schedule of the Ward Lines, serving the ports of New York and Havana, indicates a passage of about four days between the ports.

With these facts established it becomes apparent that Key West enjoys the lowest proportional rate from Havana to this country, and that Mobile and New Orleans enjoy rates that are lower than the rates via New York. However, as has been intimated before in this treatise, it is the through rate from the point of origin to the point of destination that should be considered rather than either of the factors to or from the ports. Thus, for example, on a movement of traffic from Havana to Chicago, considering the length of the rail haul to Key West as against that to New Orleans, the advantage of Key West's location in this respect might be overcome and a cheaper combination afforded through Mobile, New Orleans, or New York.

Taking Mobile, New Orleans, and Galveston as ports of entry, the class and commodity rates applying from Havana, Cuba, to the ports of entry are reproduced as follows:

## MINIMUM CHARGE

The minimum charge for any single shipment is \$3.25.

## CLASS RATES

To MOBILE, NEW ORLEANS, AND GALVESTON (Shipside) From	RATES IN CENTS PER 100 POUNDS GOVERNED BY THE OFFICIAL CLASSIFICATION					
	1	2	3	4	5	6
Havana, Cuba (Shipside) . . .	70	65	55	55	45	35

## LIGHTERAGE CHARGES AT HAVANA, CUBA (SEE NOTE)

(United States Currency)

NOTE.—The lighterage charges as shown in this item on Classes and Commodities are to be added to the rates named in tariff.

## CLASSES

IN CENTS PER 100 POUNDS					
1	2	3	4	5	6
10	10	10	5	5	5

## COMMODITIES

COMMODITIES	LIGHTERAGE RATES IN CENTS PER 100 POUNDS UNLESS OTHERWISE SPECIFIED	
	OTHERWISE	SPECIFIED
Ammonia cylinders or drums . . . . .	4	
Barrels (empty), grease . . . . .	5	
Cigars (any class package), per 3,000 cigars . . .	20	
Glycerine, in drums of 1,300 lbs., estimated weight . . . . .	3	
Hardwood lumber, in lots of 100,000 lbs. or more.	3	
Honey (in any class package) . . . . .	2½	
Molasses, in barrels . . . . .	3	
Paper stock, in bales . . . . .	4	
Scrap iron, in quantities of not less than 50 tons. per ton of 2,240 lbs. . . . .	100	
Sponges, in bales of 150 lbs., per bale . . . . .	20	
Sponges . . . . .	13½	
Tobacco, in bales, per bale . . . . .	7	
Tobacco, in barrels, per barrel . . . . .	10	
Vegetables, per crate . . . . .	3	

## ESTIMATED WEIGHTS ON FRUITS AND VEGETABLES

The following estimated weights govern on shipments of fruits and vegetables, and shipments are waybilled accordingly:

COMMODITY	WEIGHTS ARE SHOWN IN POUNDS		
	PER CRATE	SMALL BARREL	LARGE BARREL
Cucumbers .....	40	.....	.....
Egg plant .....	50	.....	.....
Grape fruit .....	80	160	200
Lemons and tangerines .....	80	160	200
Okra .....	30	.....	.....
Onions .....	50	120	150
Oranges and limes..	80	160	200
Peas and beans....	35	.....	.....
Peppers (sweet)....	25	.....	.....
Potatoes .....	60	120	150
Squash .....	70	.....	.....
Tomatoes .....	45	.....	.....

Note in connection with the commodity rates that they are, for the most part, confined to natural products of the island and that they apply on any quantity of freight.

In connection with these rates, the inland carriers publish proportional rates applicable to various Gulf ports. In Table 18 are shown some of the commodity rates established to the Gulf ports, Mobile, Ala., to Galveston, Tex., inclusive.

TABLE 18

IMPORT COMMODITY RATES FROM HAVANA AND OTHER POINTS IN  
CUBA TO MOBILE, NEW ORLEANS, AND GALVESTON (SHIPSIDE)

COMMODITIES (Any Quantity)	RATES <sup>1</sup> IN CENTS PER 100 POUNDS, EXCEPT AS OTHERWISE SPECIFIED	
	To MOBILE, NEW ORLEANS, GALVESTON (SHIPSIDE)	
	FROM	
	SHIPSIDE	SHIPSIDE
	Havana	Cuban Out- ports <sup>2</sup> as fol- lows: Caibarien <sup>3</sup> Cardenas Cienfuegos Guantanamo <sup>3</sup> Manzanillo Matanzas Sagua <sup>3</sup> Santiago
Asphalt, C. L. ....	15	.....
Barrels, empty, returned, in cents per barrel of 60 lbs. each. ....	15 <sup>4</sup>	.....
Barrels (empty), grease. ....	35	.....
Beeswax ....	25	.....
Bones, dried, in sacks. ....	25	.....
Bottles (empty), in barrels. ....	20	25
Cabbage ....	40	.....
Cigars, per 1,000 cigars. ....	64	.....
Cocoanuts, in sacks, in cents per sack of 100 cocoanuts. ....	45	45
Cylinders (empty), ammonia. ....	20	.....
Drums, iron, empty, returned. ....	35	.....
Glycerine (crude) ....	15	.....
Glycerine (N. O. S.) ....	18	.....
Grape fruit, per crate. ....	40 <sup>5</sup>	.....
Hides, in bundles. ....	26 <sup>1</sup> / <sub>4</sub>	.....
Honey ....	25	.....
Logs, Cedar ....	25	28
Logs, mahogany ....	25	28

TABLE 18—Continued

IMPORT COMMODITY RATES FROM HAVANA AND OTHER POINTS IN CUBA TO MOBILE, NEW ORLEANS, AND GALVESTON (SHIPSIDE)

COMMODITIES (Any Quantity)	RATES <sup>1</sup> IN CENTS PER 100 POUNDS, EXCEPT AS OTHERWISE SPECIFIED	
	To	
	MOBILE, NEW ORLEANS, GALVESTON (SHIPSIDE)	
	FROM	
	SHIPSIDE	SHIPSIDE
	Havana	Cuban Out- ports <sup>2</sup> as fol- lows: Caibarien <sup>3</sup> Cardenas Cienfuegos Guantanamo <sup>3</sup> Manzanillo Matanzas Sagua <sup>3</sup> Santiago
Lumber, cedar .....	20	23
Lumber, mahogany .....	20	23
Oranges and lemons, per crate.....	40 <sup>5</sup>	.....
Paper stock, in compressed bales.....	15	18
Sponges, in bales.....	150	.....
Tankage, under or on deck, at ship's option, per short ton.....	290 <sup>6</sup>	.....
Tobacco .....	50	.....
Vegetables (except cabbage).....	60 <sup>7</sup>	.....

<sup>1</sup> Governed by the Official Classification.

<sup>2</sup> Rates named from Cuban Outports to New Orleans, La., do not apply in connection with the Southern Pacific Steamship Co., Atlantic Steamship Lines, "New Orleans-Havana Line."

<sup>3</sup> In connection with the United Steamship Company, subject to sufficient cargo being offered and special booking of steamer room.

<sup>4</sup> Plus 5 cents per 100 pounds for lighterage. Does not apply via United Steamship Company.

<sup>5</sup> When destined beyond, 31½ cents per crate.

<sup>6</sup> Plus 5% primage.

<sup>7</sup> When destined beyond, 50 cents per 100 pounds.

Should it be desired to construct the rate on honey from Havana to Chicago, the commodity rate of 25 cents shown in Table 18 applying from Havana to New Orleans would be added to the proportional rate of 50 cents applying from the port of entry to Chicago, making the through rate  $75\frac{1}{2}$  cents per hundredweight.

In this connection, it might be well to call attention to the fact that certain invoices, consular fees, duties, and port charges have to be arranged for and these items materially affect the expense of the shipper in arranging for the importation of goods. As these theses, however, are all treated in the treatise devoted to water traffic and rates, we will refrain from going into them thoroughly at this time.

## CHAPTER V

### EXPORT RATES

What has previously been said with reference to the import rates applies in a great measure to the establishment of export rates. There are, however, in several instances, adjustments established which result in export rates that are in a great measure less than the rates currently in effect on import traffic. This applies with particular force to the rates on export traffic to the republics of Mexico and Cuba, which will be discussed later in this treatise.

#### 1. FROM CENTRAL FREIGHT ASSOCIATION TERRITORY

##### *(a) All-Rail Rates via North Atlantic Ports*

The authorized basis for the construction of rates on export traffic from points in Central Freight Association Territory is set forth in Table 19.

The through rates to foreign countries to points on the coast of Maine east of Portland, to Newfoundland, to Prince Edward Island, and to seaboard points in New Brunswick and Nova Scotia, when traffic is forwarded thereto via vessel from the following ports of export, are determined by adding to the inland rates the actual ocean rates from time to time obtainable, and not otherwise.

The inland rates charged on such traffic are those published on domestic shipments from points of origin to the ports from which the traffic is exported via vessel, except as otherwise provided in the table.

TABLE 19

## BASIS FOR RATES ON TRAFFIC FOR EXPORT

RESHIPPING POINT	WHEN FOR EXPORT VIA VESSEL (EXCEPT AS OTHERWISE PROVIDED), AS FOLLOWS	RATE BASIS
Baltimore, Md. Newport News, Va.	To foreign countries, including insular possessions of the United States and Canal Zone of Panama, also West Indies Islands...	Current export rates
Norfolk, Va. New York, N. Y. Philadelphia, Pa. Pinnars Point, Va.	To points on the coast of Maine east of Portland, also to Newfoundland, Prince Edward Island, and seaboard points in New Brunswick and Nova Scotia....	Full domestic rates
Boston, Mass. E. Boston, Mass. Portland, Me.	To foreign countries, including insular possessions of the United States and Canal Zone of Panama, also West Indies Islands....	New York current export rates
	To points on the coast of Maine east of Portland; also to Newfoundland, Prince Edward Island, seaboard points in New Brunswick and Nova Scotia....	New York domestic rates
Halifax, N. S.	To foreign countries.....	New York current export rates, plus 1 cent per 100 pounds
	To Newfoundland, Prince Edward Island, seaboard points in New Brunswick and Nova Scotia....	New York domestic rates, plus 1 cent per 100 pounds
Montreal, Que.	To foreign countries.....	Philadelphia current export rates <sup>1</sup>
	To points on the coast of Maine east of Portland to Newfoundland, Prince Edward Island, seaboard points in New Brunswick and Nova Scotia.....	New York domestic rates



TABLE 19—Continued  
BASIS FOR RATES ON TRAFFIC FOR EXPORT

RESHIPPING POINT	WHEN FOR EXPORT VIA VESSEL (EXCEPT AS OTHERWISE PROVIDED), AS FOLLOWS	RATE BASIS
	To foreign countries.....	New York current export rates
Point Levi, Que. Quebec, Que.	To Newfoundland, Prince Edward Island, seaboard points in New Brunswick and Nova Scotia....	New York domes- tic rates
	To foreign countries.....	New York current export rates
St. John, N. B. West St. John, N. B.	To Newfoundland, Prince Edward Island, seaboard points in New Brunswick and Nova Scotia....	New York domes- tic rates
Sherbrooke, Que.	On shipments forwarded via rail to Calais, Eastport, and Milltown, Me. ....	New York domes- tic rates
St. Andrews, N. B. St. Stephens, N. B.	To points on the coast of Maine east of Portland, Me., to New- foundland, Prince Edward Is- land, seaboard points in New Brunswick and Nova Scotia....	New York domes- tic rates
North Sidney, C. B.	To points in Newfoundland.....	(2)

<sup>1</sup> New York current export rates apply on shipments of live stock.

<sup>2</sup> New York domestic rates plus the following arbitraries—in cents per 100 pounds:

Classes .....	1	2	3	4	5	6
Rates in cents per 100 pounds	15	12	10½	9	7½	6

The term “foreign countries” as used in this table includes all destinations outside of the United States, Canada, Newfoundland, Prince Edward Island, New Brunswick, and Nova Scotia, with the proviso that the rates are not applied on shipments exported to foreign possessions of the United States, handled through the United States navy yards, and forwarded thence by United States government transports.

The same grouping of Central Freight Association Territory that is employed in the construction of domestic rates is used in connection with the establishment of export rates.

The term "New York domestic rates" as used in Table 19 indicates that no special import rates are available, whereas the use of the term "New York export rates" or "Current export rates" indicates that export rates are established.

There are no all-rail class rates applicable to eastern destinations on export traffic, the rates currently in effect to the ports on domestic traffic being applied on export traffic as well.

There being no special rates applicable on export traffic to New York, the class rates on traffic exported via Halifax, for example, would be constructed by adding one cent to each of the class rates applying from Chicago to New York.

Classes .....	1	2	3	4	5	6
Rates from Chicago to New York	75	65	50	35	30	25
Halifax Arbitraries.....	1	1	1	1	1	1
	—	—	—	—	—	—
Through rates .....	76	66	51	36	31	26

(b) *Via Rail and Water*

A representative line of rates from various percentage groups to Boston, Mass., via rail and water, applicable upon import traffic, is shown in Table 20.

TABLE 20

RAIL-AND-WATER RATES TO BOSTON, MASS., FROM PERCENTAGE GROUPS

To BOSTON, MASS., FROM PERCENTAGE GROUPS	RATES IN CENTS PER 100 POUNDS								
	Classes <sup>1</sup>								
	1	2	R25	3	R26	R28	4	5	6
78%	55½	47½	40½	36	29	28½	24½	21½	17½
80%	57	49	42	37	30	29	25	22	18
82%	58½	50½	42½	38	30	30	25½	22½	18½
84%	60	51½	43½	39	31	31	26½	23	19
87%	62	53½	45½	40½	32½	32	27½	24	19½
93%	66½	57½	48½	43½	34½	34½	29½	26	21
100%	72	62	53	47	38	37	32	28	23
103%	74	64	54	48½	38½	38½	33	29	23½
110%	79	69½	58½	52	42	41½	35½	31	25½
116%	79	69½	59½	54	43	43½	37½	33	27
119%	79½	70	59½	54½	43½	44	38	33	27
120%	87	75	64	57	46	45½	39	34	28

<sup>1</sup> Governed by the Official Classification.

## 2. COMMODITY RATES

The same basis attending the construction of domestic commodity rates follows the construction of rates on commodities for export; that is, the rate from Chicago to New York is scaled in accordance with the existing percentages, as explained in the treatise devoted to the construction of freight rates in Official Classification Territory. Thus, for example, if a commodity rate of 25 cents were established from Chicago to New York, the rate from an 80 per cent point would be made by taking 80 per cent of this figure and establishing a rate of 20 cents. In general, the rates established to New York are also applied to Boston, as may be seen from a reproduction of some of the existing commodity rates applicable upon export traffic from points in Central Freight Association Territory shown in Table 21.

TABLE 21

ALL-RAIL EXPORT COMMODITY RATES APPLICABLE FROM POINTS  
IN CENTRAL FREIGHT ASSOCIATION TERRITORY TO  
BOSTON, MASS., AND NEW YORK, N. Y.

COMMODITIES	RATES <sup>1</sup> IN CENTS PER 100 POUNDS EXCEPT AS NOTED FROM POINTS IN CENTRAL FREIGHT ASSO- CIATION TERRITORY TO	
	BOSTON	NEW YORK
Agricultural implements.....	25	25
Dross, lead, selter, tin, and zinc.....	235 <sup>2</sup>	235 <sup>2</sup>
Fencing, wire.....	20	20
Iron and steel billets.....	335	335
Pig iron.....	320 <sup>3</sup>	320 <sup>3</sup>
Syrup, corn.....	22½	22½

<sup>1</sup> Governed by the Official Classification.

<sup>2</sup> Per net ton.

<sup>3</sup> Per gross ton.

The basis for the construction of rates both to and from points in the Dominion of Canada was explained in the treatise devoted to the construction of freight rates in Official Classification Territory, and this should not be overlooked in connection with traffic destined to points in the Dominion of Canada proper when forwarded via all-rail lines.

### 3. RATES TO MEXICAN COMMON POINTS

#### (a) All-Rail Rates

The publication of through rates from interior points in the United States to Mexican destinations is under the jurisdiction of the Southwestern Tariff Committee and

the grouping of defined territories on this traffic is the same as that employed upon Texas traffic.<sup>1</sup>

Through class and commodity rates are published from the following territories:

Carolina	Chicago.
Cincinnati	Dayton-South Bend
Detroit	Cleveland
Fox River	Kansas No. 1
Kansas No. 2	Kansas No. 3
Kansas City	Little Rock-Ft. Smith
Louisville	Macon
Memphis	Middlesboro
Milwaukee	Nashville
New Orleans	Omaha
Davenport	Pittsburgh
Raleigh	St. Louis
Youngstown <sup>2</sup>	

Rates are also published from Shreveport, La., and from various other individual points.

The points of destination under this adjustment are grouped as common points and include, among the more important places, Mexico City, Torreon, Saltillo, Monterey, San Luis Potosi, Pachuca, and Pueblo. A complete list of these Mexican Common Points, however, will be found in the Traffic Glossary.

In publishing export rates the rates from one territory or town usually determine the rates to be charged and the rates from other territories are made in relation

<sup>1</sup>See Part 3 of "Freight Rates—Western Territory."

<sup>2</sup>See Page 101.

thereto. In the case of all-rail rates to Mexico, the St. Louis rate is usually established and rates from other territories are made in relation to the St. Louis rate. The all-rail rates from St. Louis to Mexico City, Torreon, San Luis Potosi, Monterrey, and Pachuca are usually made the following differentials over the rates from New York to Mexico City, Torreon, San Luis Potosi, Monterrey, and Pachuca (as the case may be), applicable via water to Vera Cruz and via rail beyond.

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates from New York										
to Mexico City.....	268	236	208	186	164	169	151	132	113	94
Differentials .....	24	20	18	16	12	13	11	10	9	8
<hr/>										
Through rates from St.										
Louis to Mexico City.....	292	256	226	202	176	182	162	142	122	102

Having established the basis for rates from St. Louis to points in Mexico, Table 22 sets forth the rates and differentials applying from the other territories.

*(b) Rail-and-Water Rates*

Through rail-and-water rates are published to points in Mexico from all territories mentioned in Table 22, these rates being applicable through United States Gulf ports and Tampico or Vera Cruz, Mex. The through rates are made the following differentials less than the all-rail rates from each specific point of origin.

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials .....	16	14	12	9	8	9	7	6	6	6

TABLE 22

EXPORT CLASS RATES TO MEXICO CITY AND OTHER MEXICAN  
POINTS FROM SPECIFIED TERRITORIES

TO POINTS IN MEXICO FROM THE FOLLOWING TERRITORIES	RATES IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
St. Louis.....	292	256	226	202	176	182	162	142	122	102
Kansas City.....	292	256	226	202	176	182	162	142	122	102
Omaha-Davenport (except Quincy, Ill.).....	303	265	233	207	179	186	165	145	125	104
Quincy, Ill.....	298	261	231	206	179	186	165	145	125	104
New Orleans.....	283	247	217	193	170	175	156	136	116	96
Little Rock-Fort Smith and Memphis .....	285	249	219	195	171	175	157	137	117	97
Nashville .....	297	260	229	204	178	184	164	144	124	103
Louisville .....	300	263	231	206	178	185	164	144	124	104
Macon .....	300	263	231	206	178	185	164	144	124	104
Chicago-Milwaukee and Cin- cinnati .....	307	268	235	210	181	189	168	147	127	106
Carolina .....	307	268	235	210	181	189	168	147	127	106
Raleigh .....	337	290	253	219	190	199	177	156	135	114
Fox River.....	327	283	247	220	189	196.5	178	152	132	111
Dayton-South Bend.....	316	276	241	214	184	190	170	150	130	110
Detroit-Cleveland .....	322	282	246	216	188	194	173	151	131	110
Middlesboro .....	322	282	246	216	188	194	173	151	131	110
Youngstown .....	330	290	250	219	190	197	174	154	134	113
Kansas No. 1.....	300	264	232	208	181	187	166	145	124	104
Kansas No. 2.....	303	267	235	210	181	189	168	147	127	106
Kansas No. 3.....	307	268	235	210	181	189	168	147	127	106
Houston and Galveston, Tex., Shreveport, La., and points taking same rates.....	280	244	214	190	166	172	153	133	113	93
Colorado Common Points <sup>2</sup>										

<sup>1</sup> Governed by the Western Classification.<sup>2</sup> Rates from Colorado Common Points to Mexico City, Mex., are, as a general proposition, published on the same basis as St. Louis-Mexico City rates.

TABLE 22—Continued

EXPORT CLASS RATES TO MEXICO CITY AND OTHER MEXICAN  
POINTS FROM SPECIFIED TERRITORIES

TO POINTS IN MEXICO FROM THE FOLLOWING TERRITORIES	DIFFERENTIALS IN CENTS PER 100 POUNDS									
	Classes <sup>1</sup>									
	1	2	3	4	5	A	B	C	D	E
St. Louis.....										
Kansas City.....										
Omaha-Davenport (except Quincy, Ill.).....	11	9	7	5	3	4	3	3	3	2
Quincy, Ill.....	6	5	5	4	3	4	3	3	3	2
New Orleans.....	9	9	9	9	6	7	6	6	6	6
Little Rock-Fort Smith and Memphis .....	7	7	7	7	5	7	5	5	5	5
Nashville .....	5	4	3	2	2	2	2	2	2	1
Louisville .....	8	7	5	4	2	3	2	2	2	2
Macon .....	8	7	5	4	2	3	2	2	2	2
Chicago-Milwaukee and Cin- cinnati .....	15	12	9	8	5	7	6	5	5	4
Carolina .....	15	12	9	8	5	7	6	5	5	4
Raleigh .....	45	34	27	17	14	17	15	14	13	12
Fox River.....	35	27	21	18	13	14½	12	10	10	9
Dayton-South Bend.....	24	20	15	12	8	8	8	8	8	8
Detroit-Cleveland .....	30	26	20	14	12	12	11	9	9	8
Middlesboro .....	30	26	20	14	12	12	11	9	9	8
Youngstown .....	38	34	24	17	14	15	12	12	12	11
Kansas No. 1.....	8	8	6	6	5	5	4	3	2	2
Kansas No. 2.....	11	11	9	8	5	7	6	5	5	4
Kansas No. 3.....	15	12	9	8	5	7	6	5	5	4
Houston and Galveston, Tex., Shreveport, La., and points taking same rates.....	12	12	12	12	10	10	9	9	9	9
Colorado Common Points "										

<sup>1</sup> Governed by the Western Classification.<sup>2</sup> Rates from Colorado Common Points to Mexico City, Mex., are, as a general proposition, published on the same basis as St. Louis-Mexico City rates.



For example, the through rail-and-water rates from St. Louis to Mexico City are made as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
All-rail rates from St.										
Louis to Mexico City.	292	256	226	202	176	182	162	142	122	102
Rail-and-water differ-										
entials .....	16	14	12	9	8	9	7	6	6	6
	—	—	—	—	—	—	—	—	—	—
Through rail-and-										
water rates.....	276	242	214	193	168	173	155	136	116	96

#### 4. RATES TO MONTEREY, MEX.

Through all-rail rates from St. Louis to Monterey, Mex., are made by deducting the following differentials from the all-rail rates published to Mexico City:

Classes .....	1	2	3	4	5	A	B	C	D	E
All-rail rates from St.										
Louis to Mexico City.	292	256	226	202	176	182	162	142	122	102
Differentials .....	70	60	51	39	43	46	44	45	41	30
	—	—	—	—	—	—	—	—	—	—
Through rates from St.										
Louis to Monterey.	222	196	175	163	133	136	118	97	81	72

The all-rail rates to Monterey, Mex., from other territories are made on the same basis as are the rates to Mexico City, Mex., that is by adding to or deducting (as the case may be) the differentials used from each territory in arriving at the rate to Mexico City.

For example, the through rates from Cincinnati Territory to Mexico City, Mex., are made by adding the following differentials (as above explained) to the rates from St. Louis to Mexico City:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials .....	15	12	9	8	5	7	6	5	5	4

Therefore, in order to obtain the through rates from Cincinnati Territory to Monterey, Mex., add the above differentials to the rates from St. Louis to Monterey, as follows:

Classes .....	1	2	3	4	5	A	B	C	D	E
Rates from St. Louis										
to Monterey.....	222	196	175	163	133	136	118	97	81	72
Differentials .....	15	12	9	8	5	7	6	5	5	4
<hr/>										
Through rates from										
Cincinnati Territory										
to Monterey.....	237	208	184	171	138	143	124	102	86	76

#### 5. RATES TO VERA CRUZ AND TAMPICO, MEX.

Through rail-and-water commodity rates are published to Tampico and Vera Cruz, Mex., via the ports of New Orleans, La., or Texas City, Tex., from Mississippi River points and points east thereof. The outline of the greatest part of Central Freight Association Territory covered in the tariff publishing these rates is west of a line drawn as follows:

From Toronto, Ont., via the shore of Lake Ontario and Hamilton to Niagara Falls, Ont.; thence via the Niagara River including both banks of said river to Buffalo, N. Y.; thence via the Buffalo, Rochester & Pittsburgh Railway to Salamanca, N. Y.; thence via the Erie Railroad to Faulkner Junction, N. Y.; thence via the Dunkirk, Allegheny Valley & Pittsburgh Railroad to Warren, Pa.; thence via the Western New York & Pennsylvania Railway to Oil City, Pa.; thence via the Allegheny River to

Franklin, Pa.; thence via an imaginary line immediately west of the Allegheny River to Butler, Pa.; thence via the Baltimore & Ohio Railroad to Allegheny, Pa.; thence to Pittsburgh, Pa.; thence from Pittsburgh, Pa., via the Baltimore & Ohio Railroad to Wheeling, W. Va.; and thence via an imaginary line due south from Wheeling, W. Va.

Rates to Vera Cruz and Tampico, Mex., are generally made by the use of the local rates from originating points in Central Freight Association Territory to New York plus the steamship lines' rates to Tampico and Vera Cruz, less the following differentials:

Classes .....	1	2	3	4	5	A	B	C	D	E
Differentials .....	16	14	12	9	8	9	7	6	6	6

The rates thus obtained are subject to the combination rates from the same points of origin to Gulf ports plus the local rates of the steamship lines from such Gulf ports to Tampico and Vera Cruz, Mex., as maxima.

It must be understood that in making less-than-carload rates via New York, cartage transfer at New York is to be added to the rate.

## 6. RATES TO WEST COAST OF MEXICO

A number of commodity rates are published from points in Alabama, Arkansas, Colorado, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Ohio, Oklahoma, Tennessee, Texas, and Wisconsin to points in Mexico on the west coast route, such as Guaymas, Empalme, and Mazatlan. These rates are made, in a

great many cases, on combinations of local rates, using the rates to border points, such as Nogales or Naco, Ariz., plus the local rates in Mexico, to which is added the transfer charge at the border.

Rates to other points on the west coast route are made on combinations of local rates, as no through rates from points in the United States are published.

## CHAPTER VI

### CUBAN TRAFFIC

#### 1. CLASS RATES FROM CENTRAL FREIGHT ASSOCIATION TERRITORY VIA ATLANTIC SEABOARD PORTS

On traffic forwarded to Cuba via North Atlantic ports, no special basis of rates is provided by the Central Freight Association and Trunk Line carriers, through rates being made by a combination of rates to and from the ports, using the proportional rate to the port as the inland proportion and the ocean carrier's rate from the port of transshipment to the port of call.

#### 2. CLASS RATES FROM CENTRAL FREIGHT ASSOCIATION TERRITORY VIA GULF PORTS

From Central Freight Association Territory on traffic destined to Cuban ports, exported through the Gulf ports, a proportional scale of rates is established to the said ports.

These rates apply from well defined groups into which that portion of Central Freight Association Territory lying east of the Indiana-Illinois State Line is assigned. Representative points in each of the six groups are indicated in Table 23.

TABLE 23

## GROUPING OF POINTS OF ORIGIN

REPRESENTATIVE POINTS	G'PS	REPRESENTATIVE POINTS	G'PS	REPRESENTATIVE POINTS	G'PS
Akron, Ohio.....	2	Allegheny, Pa....	2	Ashland, Ky.....	3
Farbison, Ohio...	2	Buffalo, N. Y....	2	Selina, Ohio.....	1
Chillicothe, Ohio	3	Cleveland, Ohio..	2	Columbus, Ohio..	1
Dayton, Ohio.....	3	Detroit, Mich....	2	Dunkirk, N. Y..	2
Elizabethtown,		Erie, Pa.....	2	Ft. Wayne, Ind..	1
Ind. ....	3	Gary, Ind.....	1	Goshen, Ind.....	1
Postoria, Ohio...	2	Hamilton, Ont...	2	Huntington, W.	
Greenville, Ohio.	1	Jackson, Mich...	2	Va. ....	2
Indianapolis, Ind.	3	Kenova, W. Va..	3	Jonesboro, Ind...	1
Kalamazoo, Mich.	2	LaFayette, Ind..	1	Charleston, W. Va.	2
Kokomo, Ind.....	1	Lima, Ohio.....	1	Lansing, Mich...	2
Decatur, Ill.....	5 <sup>1</sup>	Marion, Ohio....	1	London, Ont.....	2
Marion, Ind.....	1	Muncie, Ind.....	1	Middletown, Ohio	3
Mackinaw, Ill...	4 <sup>1</sup>	New Lexington,		Muskegon, Mich.	2
New Cumberland,		Ohio .....	2	North Vernon,	
W. Va.....	2	Owasso, Mich....	2	Ind. ....	3
Orville, Ohio....	2	Portsmouth, Ohio	3	Paris, Ill.....	5 <sup>1</sup>
Pittsburgh, Pa...	2	Round Bottom,		Quincy, Ohio....	1
Richmond, Ind...	3	W. Va.....	2	Rushville, Ind...	3
Saginaw, Mich...	2	St. Thomas, Ont.	2	Sandusky, Ohio..	2
Sharon, Pa.....	2	South Bend, Ind.	1	Stuebenville, Ohio	2
Terre Haute, Ind.	3	Toledo, Ohio.....	2	Trinway, Ohio...	2
Urichsville, Ohio.	2	Urbana, Ohio....	1	Valparaiso, Ind..	1
Vienna, Mich....	2	Washington Court		Vincennes, Ind...	6
		House, Ohio...	3	Wheeling, W. Va.	2
Windsor, Ont....	2	Youngstown, Ohio	2	Zanesville, Ohio..	2

<sup>1</sup> Stations on the Vandalia Railroad in Illinois from Farrington, Ill., to but not including St. Louis, Mo., and from Farrington, Ill., to Kennie, Ill., inclusive, are in Group 5. Stations, Midland City to Peoria, inclusive, are in Group 4. These are the only Illinois stations that are grouped in the Central Freight Association tariff. Rates from these stations are published by the Western Trunk Line Committee.

Table 23 gives some general idea as to the grouping of Central Freight Association Territory.

3. PROPORTIONAL CLASS RATES FROM CENTRAL FREIGHT  
ASSOCIATION TERRITORY TO GULF PORTS,  
EXCEPT KEY WEST, FLA.

In Table 24 are given the current class rates applicable to all Gulf ports, except Key West, Fla., on traffic destined to Havana and other points in Cuba. These rates, as may be observed, are governed by the Official Classification. It will be recalled that the local rates to New Orleans and Mobile were governed by the Southern Classification, while the rates to Galveston and other Texas ports were governed by the Western Classification.

TABLE 24

CLASS RATES APPLICABLE TO ALL GULF PORTS, EXCEPT KEY WEST,  
FLA., ON TRAFFIC DESTINED TO HAVANA AND OTHER  
POINTS IN CUBA

TO GULF PORTS <sup>1</sup> FROM GROUPS <sup>2</sup>	RATES IN CENTS PER 100 POUNDS								
	Classes <sup>3</sup>								
	1	2	3	4	5	6	R25	R26	R28
1.....	75	65	50	35	30	25	55	40	40
2.....	75	65	50	35	30	25	55	40	40
3.....	69.5	60.5	46.5	32.5	28	23	51.5	37.5	37.5
4.....	72	63	49.5	34	29	24.5	53.5	39.5	39.5
5.....	69.5	60.5	46.5	32.5	28	23	51.5	37.5	37.5
6.....	65	56.5	43.5	30.5	26	21.5	48	34.5	35

EXCEPTION.—Does not apply on live stock for export; no export rates in effect on live stock.

EXCEPTION.—Does not apply on cotton seed products, viz.: Cotton seed meal, cotton seed cake, cotton seed hulls, cotton seed oil, cotton seed soap stock, cotton seed foots, cotton seed hull bran, cotton seed settlings, cotton seed tank bottoms, cotton seed hull shavings (not bleached or dyed), and cotton factory sweepings (refuse of cotton seed oil mills).

<sup>1</sup> Algiers, La., Galveston, Tex., Gretna, La., Gulfport, Miss., Mobile, Ala., New Orleans, La., Pensacola, Fla., Port Arthur, Tex., Port Bolivar, Tex., Port Chalmette, La., Texas City, Tex., and Westwego, La.

<sup>2</sup> See Table 23.

<sup>3</sup> Governed by Official Classification No. 41, Agent R. N. Collyer's I. C. C.-O. C. No. 41, supplements thereto and reissues thereof, and by Exceptions to said classification.

## 70 FREIGHT RATES—WESTERN TERRITORY

The rate to Gulf ports from any point in Central Freight Association Territory shown in Table 23 will be the same as for the corresponding group to which it is assigned. Thus, for example, reference to Table 23 shows that Vincennes is in Group 6 and the rate from Vincennes would be the scale shown for Group 6 in Table 24.

### 4. PROPORTIONAL CLASS RATES FROM CENTRAL FREIGHT ASSOCIATION TERRITORY TO KEY WEST, FLA.

To illustrate the difference in the rate to Key West, Fla., as contrasted with the other Gulf ports, the current rates to Key West, Fla., are reproduced in Table 25.

TABLE 25

CLASS RATES APPLICABLE TO KEY WEST, FLA., ON TRAFFIC DESTINED TO HAVANA AND OTHER POINTS IN CUBA

To KEY WEST, FLA., FROM GROUPS <sup>1</sup>	RATES IN CENTS PER 100 POUNDS								
	Classes <sup>2</sup>								
	1	2	3	4	5	6	R25	R26	
1.....	127	109	86	63.5	54.5	45.5	95	72.5	71.5
2.....	127	109	86	63.5	54.5	45.5	95	72.5	71.5
3.....	121.5	104.5	82.5	61	52.5	43.5	91.5	70	68.5
4.....	124	107	85.5	62.5	53.5	45	93.5	72	70.5
5.....	121.5	104.5	82.5	61	52.5	43.5	91.5	70	68.5
6.....	117	100.5	79.5	59	50.5	42	88	67	66

EXCEPTION.—Does not apply on live stock for export; no export rates in effect on live stock.

EXCEPTION.—Does not apply on cotton seed products, viz.: Cotton seed meal, cotton seed cake, cotton seed hulls, cotton seed oil, cotton seed soap stock, cotton seed foots, cotton seed hull bran, cotton seed settlings, cotton seed tank bottoms, cotton seed hull shavings (not bleached or dyed), and cotton factory sweepings (refuse of cotton seed oil mills).

<sup>1</sup> See Table 23.

<sup>2</sup> Governed by Official Classification No. 41, Agent R. N. Collyer's I. C. C.-O. C. No. 41, supplements thereto and reissues thereof, and by Exceptions to said classification.



These rates, as may be observed, are in all instances considerably higher than the rates to the other Gulf ports and the difference is justified, in a great measure, by the difference in the length of haul.

Both the rates to Key West and to the other Mexican Gulf ports are considerably less than the local rates from the same group to the same point. These rates are designated as proportional rates and are confined in their application to apply only on traffic destined to Havana, Cuba, and other points on the island.

#### 5. CLASS RATES FROM THE PORTS

The class rates applicable in connection with the water carriers operating between Southern ports of transshipment and Cuban ports of call are shown in Table 26. These are the rates that are currently in effect and as they are not filed with the Interstate Commerce Commission they are subject to change upon very short notice.

From Table 26 it may be seen that the rates from Key West to Havana are hardly one-third of the rates applicable from the other ports and it may also be observed that there are no rates from Key West to the other Cuban ports of call, such as Cienfuegos, Matanzas, Guantanamo, or Manzanillo. This is due to the fact that the Peninsular & Occidental Steamship Company, which affords the service between Key West and Havana, does not make these points as ports of call, confining its operations to Havana only.

TABLE 26

CLASS RATES APPLICABLE FROM SOUTHERN PORTS OF TRANS-SHIPMENT TO CUBAN OUTPORTS

FROM KEY WEST, FLA., MOBILE, ALA., NEW OR- LEANS, LA., GALVESTON, TEX. (SHIPSIDE) TO	RATES IN CENTS PER 100 POUNDS							
	Classes <sup>1</sup>							
	1	2	3	4	5	6	R25	R26
Havana .....	75 <sup>2</sup>	65	55	40	35	30	60	45
Havana .....	23 <sup>3</sup>	21	19	11.5	10.5	9.5	20	12.5
Cienfuegos .....								
Santiago .....	80 <sup>2</sup>	70	60	43	38	33	65	50
Matanzas .....								
Cardenas .....								
Guantanamo .....								
Caibarien <sup>4</sup> .....	82 <sup>2</sup>	72	62	45	40	35	67	52
Sagua <sup>4</sup> .....								
Manzanillo .....	85 <sup>2</sup>	75	65	47	42	37	70	55

<sup>1</sup> Governed by the Official Classification.<sup>2</sup> Rates apply from all points shown above except Key West, Fla.<sup>3</sup> Rates apply from Key West, Fla., only.<sup>4</sup> When in connection with the United Steamship Company, traffic to these points is subject to sufficient cargo being offered and special booking of steamer room. The Munson Steamship Company has direct sailings from Mobile to all ports named above.

Taking a Group 1 point of origin, the rates via New Orleans would be constructed as follows:

Classes .....	1	2	3	4	5	6
Rates from Group 1 to Gulf	75	65	50	35	30	25
Rates from Gulf to Havana	75	65	55	40	35	30
Through rates .....	150	130	105	75	65	55

The rates via Key West would be constructed as follows:

Rates from Group 1 to Key						
West .....	127	109	86	63½	54½	45½
Rates from Key West to						
Havana .....	23	21	19	11½	10½	9½
Through rates .....	150	130	105	75	65	55

From this it is seen that the rates from Group 1 are the same to Havana whether forwarded via Key West or via other Gulf ports. This emphasizes the equalization of the competition via the various routes, as it may be seen by further comparison that the rates from the other groups are the same also. This is brought about by the fact that the rates to Key West are established on a differential basis over the rates to other Gulf ports. The following differentials are added to the other Gulf port rates to establish proportional rates to Key West.

Classes .....	1	2	3	4	5	6
Differentials .....	52	44	36	28½	24½	20½

#### 6. COMMODITY RATES FROM CENTRAL FREIGHT ASSOCIATION TERRITORY VIA GULF PORTS, INCLUDING KEY WEST, FLA.

In so far as Havana is concerned, the same equalization of rates from Central Freight Association Territory through the various Mexican Gulf ports does not prevail, as lower combinations may be obtained through Key West, Fla., than through other ports on some commodities, and vice versa. A few of the rates currently in effect on some commodities are shown in Table 27.

As an exception to the generally accepted idea that commodity rates are less than class rates, it may be seen that the rates between the Gulf ports and Havana on boots and shoes are considerably in excess of the first-class rate, which is the rating they are assigned in the classification. In explanation of this, it may be said that it is a common practice, in so far as water-borne traffic is concerned, to assess very high rates on unde-

TABLE 27

COMMODITY RATES CURRENTLY IN EFFECT FROM GULF PORTS  
TO HAVANA

COMMODITIES	RATES <sup>1</sup> IN CENTS PER 100 POUNDS EXCEPT AS NOTED	
	TO HAVANA FROM GULF PORTS OTHER THAN KEY WEST, FLA.	FROM KEY WEST, FLA.
Boots and shoes, any quantity.....	100	27½
Cement, in bags or barrels, any quantity....	11	07½
Clay, fire or common, in barrels, C. L.....	23	08½
Clay, fire or common, in barrels, L. C. L....	23	10½
Coffee, in bags, C. L.....	25	12
Coffee, in bags, L. C. L.....	25	12½
Glassware, common, C. L.....	60	20½
Glassware, common, L. C. L.....	60	22
Hay, in bales.....	30	....
Pig lead, C. L.....	400 <sup>2</sup>	192 <sup>2</sup>
Pig lead, L. C. L.....	400 <sup>2</sup>	213 <sup>2</sup>
Packing house products, C. L.....	23	09½
Packing house products, L. C. L.....	23	09½
Water, mineral, in glass, in cases or barrels, C. L. ....	35	13
Water, mineral, in glass, in cases or barrels, L. C. L.....	35	14½

<sup>1</sup> Governed by the Official Classification.

<sup>2</sup> Per gross ton, 2,240 pounds.

The corresponding rates on the same commodities from Central Freight Association Territory to both Key West and other Gulf ports are shown in Tables 28 and 30.

TABLE 28

COMMODITY RATES CURRENTLY IN EFFECT FROM CENTRAL FREIGHT  
ASSOCIATION TERRITORY TO KEY WEST, FLA.

COMMODITIES	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED					
	FROM CENTRAL FREIGHT ASSOCIATION TERRITORY TO GULF PORTS IN GROUPS <sup>2</sup>					
	1	2	3	4	5	6
Boots and shoes, in cases, strapped, any quantity.....	147½	147½	142	144½	142	137½
Cement, in bags or barrels, C. L..	21	24	18	19½	18½	16
Clay, fire or common, C. L.....	33	33	30½	32½	30½	29½
Clay, fire or common, L. C. L..	47½	47½	45	46½	45	43½
Coffee, in bags, C. L.....	43	43	41	42	41	39
Coffee, in bags, L. C. L.....	52½	52½	50	52	50	47
Glassware, common, C. L.....	74½	74½	72	73½	72	72
Glassware, common, L. C. L.....	93	93	89½	91½	89½	86
Hay .....	..	..	..	..	..	..
Lead, pig, C. L.....	768 <sup>3</sup>	768	722	756	722	689
Lead, pig, L. C. L.....	971 <sup>3</sup>	971	915	948	915	870
Packing house products, C. L....	..	..	35	37	..	..

<sup>1</sup> Governed by the Official Classification.

<sup>2</sup> See Table 23.

<sup>3</sup> Per gross ton, 2,240 pounds.

TABLE 29

COMMODITY RATES FROM CENTRAL FREIGHT ASSOCIATION  
TERRITORY TO GULF PORTS OTHER THAN  
KEY WEST, FLA.

COMMODITIES	RATES IN CENTS PER 100 POUNDS					
	FROM CENTRAL FREIGHT ASSOCIATION TERRITORY TO GULF PORTS IN GROUPS <sup>2</sup>					
	1	2	3	4	5	6
Boots and shoes, any quantity...	..	..	..	..	..	..
Cement, C. L.....	17½	20½	14½	16	15	12½
Coffee, C. L.....	..	..	..	..	..	..
Coffee, L. C. L.....	..	..	..	..	..	..
Glassware .....	..	..	..	..	..	..
Packing house products, C. L....	..	..	22	24	..	..
Hay .....	..	..	..	..	..	..
Lead, pig.....	..	..	..	..	..	..
Water, mineral.....	..	..	..	..	..	..

<sup>1</sup> Governed by the Official Classification.

<sup>2</sup> See Table 23.

TABLE 30  
ARBITRARIES TO CUBAN OUTPORTS <sup>1</sup>

RATES <sup>2</sup> IN CENTS PER 100 POUNDS EXCEPT AS OTHERWISE PROVIDED																
TO	COMMODITIES	Banes <sup>3</sup>	Baracoa <sup>3</sup>	Cardenas <sup>4,5</sup>	Calbarren <sup>4,5</sup>	Chaparra <sup>3</sup>	Cienfuegos <sup>3</sup>	Gibara <sup>3</sup>	Guantanamo <sup>4,5</sup>	Manzanillo <sup>5</sup>	Matanzas <sup>4,5</sup>	Nipe <sup>3</sup>	Nuevitas <sup>3</sup>	Puerto Padre <sup>3</sup>	Sagua la Grande <sup>3</sup>	Santiago <sup>3</sup>
	Beans, in bags or barrels...	30.82	37.82	5	7	24.82	3	20.32	7	10	5	37.82	18.82	29.82	7	5
	Beer, bottled, in casks or cases	.....	.....	5	6	.....	3	.....	6	10	5	.....	.....	.....	6	3
	Beer, tonic.....	.....	.....	5	6	.....	3	.....	6	10	5	.....	.....	.....	6	3
	Boots and shoes, in cases, strapped	70	70	5	7	65	5	62½	10	10	5	70	65	70	7	5
	Box and crate material.....	.....	.....	5	7	.....	3	.....	7	10	5	.....	.....	.....	7	3
	Cement.....	.....	19½ <sup>7</sup>	.....	.....	.....	.....	10½ <sup>7</sup>	.....	.....	.....	157	127	.....	.....	.....
	Condensed milk.....	30	35	5	7	24½	3	20	7	10	5	37	18½	29½	7	3
	Hay.....	25 <sup>6</sup>	37 <sup>9</sup>	5	7	14	5	20 <sup>0</sup>	10	10	5	32 <sup>6</sup>	18½ <sup>0</sup>	20 <sup>6</sup>	7	5
	Lead, pig.....	.....	.....	100 <sup>8</sup>	150	.....	50	.....	150	150	100	.....	.....	.....	150	50
	Oil, illuminating.....	.....	.....	3 <sup>0</sup>	5	.....	3	.....	7	7	3	.....	.....	.....	5	3
	Oil, red.....	15	28	5	7	12½	3	15	7	10	5	22	14½	17½	7	3
	Potatoes.....	22½	37	5	7	17½	5	20 <sup>6</sup>	10	10	5	28	17	22½	7	5

<sup>1</sup> Rates to the points shown above are the arbitraries given in the table higher than the Havana landed dock rate, and these rates do not apply in connection with the Southern Pacific Company and New Orleans-Havana Line. For rates see Tables 31 and 32.

<sup>2</sup> Governed by the Official Classification.

<sup>3</sup> Rates apply via Mobile, Ala., and Munson Steamship Line, subject to the following conditions:

Shipments are made in bond from Havana to destination, and Custom House entries are made by consignees at final delivery points.

The Herrera Steamship Line has a weekly service from Havana to above-mentioned ports, sailing Saturdays.

The delivery of cargo at Nipe is made on dock at Mayari, Antilla, Cagimaya, Sactia, or Preston, according to specification on bill of lading.

All through bills of lading covering shipments destined to any of above ports must bear the following clause, viz.:

Shipments also subject to conditions of Herrera Line B. L. beyond Havana.

When shipments are made for above-mentioned ports, shippers are requested to take out insurance accordingly, that is, for reshipment from Havana via Herrera Steamship Line.

All shipments must be prepaid through.

<sup>4</sup> EXCEPTIONS.—When in connection with the United Steamship Company, traffic to these points is subject to sufficient cargo being offered and special booking of steamer room. The Munson Steamship Company has direct sailings from Mobile to Calbarien, Cardenas, Cienfuegos, Guantanamo, Manzanillo, Matanzas, Sagua, and Santiago.

<sup>5</sup> When in connection with the Munson Steamship Line rate applies on traffic by direct steamers only.

<sup>6</sup> Rate does not apply via United Steamship Company.

<sup>7</sup> Rate applies via United Steamship Company only.

<sup>8</sup> Per gross ton, 2,240 pounds.

<sup>9</sup> Per case.

sirable freight. Boots and shoes may be said to be undesirable freight for the reason that the carriers experience no little trouble on account of claims being filed for shortages in shipments of this kind, due to the pilfering of the cases after they have left the shipper's possession. Many water lines refuse to accept them unless they are strapped, corded, and sealed. This precaution is taken to safeguard themselves, as a case cannot be opened by anyone without the seal being destroyed, and the responsibility may readily be placed by determining in whose possession the case might have been when the seal was broken. Other objectionable commodities are treated in the same manner.

#### 7. CLASS RATES TO CUBAN OUTPORTS

The class rates to Cuban outports, such as Cienfuegos, Santiago, Caibarien, Guantanamo, and others, are shown in Table 26, these rates being constructed by the addition of certain arbitraries to the rates currently in effect to Havana, Cuba.

#### 8. COMMODITY RATES TO CUBAN OUTPORTS

The rates on commodities to the Cuban outports are also constructed by the addition of arbitraries to the rates currently in effect to Havana. These arbitraries are shown in Table 30.

The rates constructed on this arbitrary basis are applicable in connection with the Munson Steamship Company and the United Steamship Company, the rates via the



Southern Pacific Company being specifically published, as is indicated in Tables 31 and 32, which show some of the commodity rates currently in effect via the Southern Pacific Company and Atlantic Steamship Lines to the aforesaid Cuban outports. A comparison of these rates with the rates to Havana plus the arbitraries shown in Table 30 will indicate that they are on the same basis. For example, the rate on boots and shoes from Mobile or New Orleans to Havana is \$1. The arbitrary shown in Table 30 applicable on boots and shoes destined to Guantanamo is 10 cents, making a through rate in connection with the Munson Steamship Company or the United Steamship Company of \$1.10 from New Orleans to Guantanamo. This is the same rate as that published by the Southern Pacific Company-Atlantic Steamship Lines as a through rate.

Through rates from interior points in the United States are constructed in much the same manner as are the rates to Havana, Cuba, that is, by a combination of the rates to the ports with the rates from the ports plus the arbitraries, if via the Munson Steamship Company or the United Steamship Company, or plus the through ocean rates, if via the Southern Pacific Company-Atlantic Steamship Lines. The following is an illustration, assuming the movement to be cement in carload quantities from Toledo, Ohio, to Manzanillo, Cuba.

VIA MUNSON STEAMSHIP COMPANY OR ATLANTIC  
STEAMSHIP COMPANY

Rate from Toledo (Group 2) to New Orleans or Mobile.....	20½ cents per cwt.
Rate from New Orleans or Mobile to Havana	11 cents per cwt.
Arbitrary, Manzanillo over Havana.....	5 cents per cwt.
Through rate.....	36½ cents per cwt.

VIA SOUTHERN PACIFIC COMPANY—ATLANTIC STEAMSHIP LINES

Rate from Toledo (Group 2) to New Orleans or Mobile .....	20½ cents per cwt.
Ocean rate, New Orleans to Manzanillo.....	20 cents per cwt.
Through rate .....	40½ cents per cwt.

## 9. MINIMUM CHARGE

On small shipments, the minimum charge applicable via the various routes, that is, via Key West or other Gulf ports, has some bearing on the lowest charges obtainable. In so far as applied to the inland proportional rates applicable to Key West or other Gulf ports, the minimum charge is that for the actual weight at tariff rate but in no case less than \$1. The minimum charge from the Gulf ports to Havana or to the outports, when forwarded via direct steamers, is \$3.25; when forwarded to the outports via Havana, that is, transshipped at that point via the route shown in the table, the minimum charge is \$5.25; and when forwarded from Havana in connection with the Cuban Railways, the minimum charge to Cardenas and Matanzas is \$5 and to Caibarien and Sagua \$6.

# EXPORT AND IMPORT FREIGHT RATES

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COMMODITY RATES <sup>1</sup>IN EFFECT FROM NEW ORLEANS, LA.,<sup>3</sup> AND GALVESTON, TEX.,<sup>4</sup> TO CUBAN OUTPORTS

TABLE 31

COMMODITIES	RATES <sup>2</sup> IN CENTS PER 100 POUNDS EXCEPT AS NOTED										
	FROM NEW ORLEANS, LA., AND GALVESTON, TEX., TO										
	Banes	Baracoa	Calbarrien	Chaparrá	Gibara	Guantanamo	Sagua	Nipe	Nuevitas	Puerto Padre	Santiago de Cuba
Bags, empty, burlap, compressed, in bales .....	47.5	65	37	47.5	47.5	37	37	54.5	48.5	52.5	33
Beans, in bags or barrels .....	55.82	62.82	32	49.82	45.32	30.82	32	68.82	43.82	54.82	37.82
Boots and shoes, in cases, strapped .....	170	170	107	165	162.5	110	107	170	165	170	105
Bran, in bags .....	35.5	46	23	29.5	33	30	23	38	32.5	34.5	32.5
Brandy, in bottles, boxed .....	105	110	82	99.5	95	82	82	112	93.5	104.5	80
Butter, butterine, oleomargarine .....	64	76.5	42	51	56.5	42	42	62.5	54	59.5	38
Cement, in bags or barrels .....	21	30.5	20	21	21.5	20	20	26	23	26	26
Codfish, in boxes .....	67	82	52	62.5	62.5	52	52	73	60	67.5	50
Coffee, in bags .....	55	60	32	50	47.5	40	32	62	55	55	37.5
Condensed milk .....	55	60	32	49.5	45	40	32	62	43.5	54.5	37.5
Corn, in bags .....	33	40	20.5	28	31.5	30	20.5	36	31	33	32.5
Feed, in bags .....	35.5	46	23	29.5	33	30	23	38	32.5	34.5	32.5
Fertilizers .....	5305	799	456	575	586	504	456	687	609	642	560
Figs, dry .....	125	139	72	119	102.5	72	72	139	102	124	70
Flour .....	35.5	46	20.5	30.5	33	25	20.5	41	32.5	32.5	27.5

<sup>1</sup> Rates named in this table apply only on the commodities specified.

<sup>2</sup> Governed by the Official Classification.

<sup>3</sup> Rates shown above apply via the Southern Pacific Company-Atlantic Steamship Lines (New Orleans-Havana Line), in connection with the Herrera Steamship Company.

<sup>4</sup> Rates shown above apply via United Steamship Company service in connection with the Herrera Line, United Steamship Company's option to transship at either Havana or Santiago de Cuba, except when combination based on arbitraries to outports makes less, and no lower than direct service rate is confirmed by special booking of steamer room.

<sup>5</sup> Per gross ton, 2,240 pounds.

TABLE 32

COMMODITY RATES IN EFFECT FROM GALVESTON, TEX.,<sup>1</sup> MOBILE, ALA.,<sup>2</sup> AND NEW ORLEANS, LA.,<sup>3</sup> TO CUBAN OUTPORTS

COMMODITIES	FROM GALVESTON, TEX., MOBILE, ALA., AND NEW ORLEANS, LA., TO							
	SAGUA		CAIBARIEN		MATANZAS		CARDENAS	
	Rates in Dollars and Cents per Kilo Ton	Rates in 100 Pounds Except as Noted	Rates in Dollars and Cents per Kilo Ton	Rates in 100 Pounds Except as Noted	Rates in Dollars and Cents per Kilo Ton	Rates in 100 Pounds Except as Noted	Rates in Dollars and Cents per Kilo Ton	Rates in 100 Pounds Except as Noted
Agricultural Implements, Plows and Cultivators, K. D., and parts.....	5.95	27	5.95	27	5.51	25	5.51	25
Agricultural Implements, K. D., cultivating (except hand, gang and sulky plows and wheeled scrapers).....	8.15	37	8.15	37	7.72	35	7.72	35
Agricultural Implements, N. O. S., K. D., crated or boxed.....	14.77	67	14.77	67	14.33	65	14.33	65
Apples, in barrels, any quantity.....	11.46	52	11.46	52	11.02	50	11.02	50
Asbestos boiler covering, any quantity..	10.36	47	10.36	47	9.92	45	9.92	45
Bean oil, for cooking purposes.....	6.61	30	6.61	30	6.17	28	6.17	28
Beans, in bags or barrels, any quantity..	7.05	32	7.05	32	6.61	30	6.61	30
Bee hives, K. D.....	9.26	42	9.26	42	8.82	40	8.82	40
Beer, beer tonic, in bottles, packed in barrels or cases, any quantity.....	7.05	32	7.05	32	6.61	30	6.61	30
Boots and shoes, cases, strapped.....	23.59	107	23.59	107	23.15	105	23.15	105
Bran and feed, in bags, minimum weight 10,000 kilos or 22,046 lbs.....	5.07	23	5.07	23	4.52	20½	4.52	20½
Brick, all kinds.....	5.07	23	5.07	23	4.63	21	4.63	21

TABLE 32—Continued  
COMMODITY RATES IN EFFECT FROM GALVESTON, TEX.,<sup>1</sup> MOBILE, ALA.,<sup>2</sup> AND NEW ORLEANS, LA.,<sup>3</sup> TO  
CUBAN OUTPORTS

COMMODITIES	FROM GALVESTON, TEX., MOBILE, ALA., AND NEW ORLEANS, LA., TO					
	SAGUA	CAIBARIEN	MATANZAS	CARDENAS		
	Rates in Dollars and Cents per 100 Pounds Except as Noted	Rates in Dollars and Cents per 100 Pounds Except as Noted	Rates in Dollars and Cents per 100 Pounds Except as Noted	Rates in Dollars and Cents per 100 Pounds Except as Noted	Rates in Dollars and Cents per 100 Pounds Except as Noted	Rates in Dollars and Cents per 100 Pounds Except as Noted
Broom corn, in bales, any quantity.....	16.97	16.97	16.52	16.53	75	75
Broom handles.....	....	....	6.61	6.61	30	30
Butter, butterine, and oleomargarine...	9.26	9.26	8.82	8.82	40	40
Cabbages, in crates or barrels.....	12.57	12.57	12.13	12.13	55	55
Candles.....	6.61	6.61	6.17	6.17	28	28
Canned goods.....	8.15	8.15	7.72	7.72	35	35
Chemicals (non-explosive).....	15.87	15.87	15.43	15.43	70	70
Coffee, in bags.....	7.05	7.05	6.61	6.61	30	30
Condensed or evaporated milk.....	7.05	7.05	6.61	6.61	30	30
Corn, in bags, minimum weight 10,000 kilos or 22,046 lbs.....	4.52	4.52	4.52	4.52	20½	20½
Corn meal, minimum weight 10,000 kilos or 22,046 lbs.....	4.52	4.52	4.52	4.52	20½	20½

<sup>1</sup> Rates shown above apply via the United Steamship Company in connection with the Cuban Central Railways, Ltd., and United Railways of Havana only.

<sup>2</sup> Rates shown above apply via Munson Steamship Line in connection with the United Railways of Havana only.

<sup>3</sup> Rates shown above apply via the Southern Pacific Company—Atlantic Steamship Lines (New Orleans-Havana Line) in connection with the Cuban Railways, Ltd., and United Railways of Havana only.

The minimum charge, in so far as the rates to the ports are concerned, eliminates the application of the Official Classification rule, which provides that the minimum charge is for 100 pounds at the first-class rate and permits of the application of a lower basis for charges. Assuming the movement to be a shipment of 90 pounds of first-class merchandise moving from Buffalo, N. Y., the minimum charge via the several routes would be as follows:

#### VIA NEW ORLEANS, LA.

90 lbs. at 75c=68c, which is less than required minimum of \$1.	
Minimum rate from Buffalo to New Orleans.....	\$1.00
Rate from New Orleans to Havana.....	3.25
	<hr/>
Through minimum charge to Havana.....	\$4.25

#### VIA KEY WEST, FLA.

90 lbs. at \$1.27=\$1.14, which is above the required minimum and is therefore applied as the charge to Key West.	
Rate from Buffalo to Key West.....	\$1.14
Rate from Key West to Havana.....	2.75
	<hr/>
Through minimum charge to Havana.....	\$3.89

The minimum charge from New Orleans would also apply to Cuban outports provided the shipment was forwarded via direct steamer. If, however, the shipment was forwarded via the water route to Santiago de Cuba and transshipped at Havana, the minimum charge via New Orleans would be \$6.25. If forwarded via the rail-ocean-and-rail lines, using the ocean line to Havana in connection with the Cuban Railway, the minimum charge

to Cardenas and Matanzas would be \$6, while to Caibarien and Sagua the minimum charge would be \$7.

#### 10. MARINE INSURANCE

The rates to Cuban ports do not include marine insurance and shippers must arrange with the steamship company for this feature if they so desire. The current rate of insurance from Mobile and New Orleans to Havana is 20 cents per \$100 when insured under the open policy of these lines, and when shipments are transhipped at Havana to other Cuban outports, shippers must arrange for the insurance covering that portion of the voyage.

#### 11. RATES FROM OHIO AND MISSISSIPPI RIVER POINTS AND RELATED POINTS PUBLISHED BY THE WESTERN TRUNK LINE ROADS

The inland proportional rates applicable on Cuban traffic from the points previously set forth are those published by the Central Freight Association lines through their agent, Mr. Eugene Morris. The rates set forth in Table 33 are those published by the Western Trunk Line Association and in some instances they apply from the same points as the Central Freight Association issue. Thus, for example, we find rates published from Indianapolis, Ind. This is brought about by the fact that some of the lines serving Indianapolis are members of the Central Freight Association, such as the Cincinnati, Hamilton & Dayton Railway, the Cleveland, Cincinnati, Chicago & St. Louis Railway, the Lake Erie & Western Railroad, and the Vandalia Railroad, while

others are members of the Western Trunk Line Committee. The policy of the carriers is to confine the publication of rates to as few bureaus as possible.

## 12. GROUPING OF TERRITORY

The territory from which the proportional rates are established is assigned to various groups, as is the case in the construction of rates to Western Trunk Line and Southwestern Committee territories. The borders vary somewhat from the ones used in those adjustments, however. The groups are designated as the Chicago, Peoria, St. Louis, Evansville, La Crosse, Milwaukee, Springfield, Cincinnati, Cairo, Dubuque, Indianapolis, Louisville, and Detroit groups.

## 13. PROPORTIONAL CLASS RATES TO KEY WEST, FLA.

The rates currently in effect from these groups to Key West, Fla., are indicated in Table 33.

These class rates may be used in connection with the class rates of the ocean carriers operating from Key West to Havana as shown in Table 26, through rates being constructed in the same manner as was illustrated in the case of the Central Freight Association points.

In Table 34 is given a representative list of commodity rates applicable on traffic originating in Central and South America, Mexico, and the West Indies Islands and destined to interior points in the United States.



TABLE 33

PROPORTIONAL CLASS RATES FROM VARIOUS WESTERN TRUNK LINE  
GROUPS TO KEY WEST, FLA., ON TRAFFIC DESTINED  
TO HAVANA, CUBA

TO KEY WEST, FLA., FROM	RATES IN CENTS PER 100 POUNDS							
	Classes <sup>1</sup>							R26
	1	2	3	4	5	6	R25	
Chicago (Group 1).....	127	109	86	63½	54½	45½	95	72½
Milwaukee (Group 2)...	127	109	86	63½	54½	45½	95	72½
Dubuque (Group 3).....	133	114	90	66½	56½	47½	99½	75½
Peoria (Group 4).....	124	107	85½	62½	63½	45	93½	72
Springfield (Group 5)...	121½	104½	82½	61	52½	43½	91½	70
Indianapolis (Group 6)...	121½	104½	82½	61	52½	43½	91½	70
St. Louis (Group 7)....								
Cincinnati (Group 8)...								
Louisville (Group 9)...	117	105½	79½	59	50½	42	88	67
Evansville (Group 10)...								
Cairo (Group 11).....								
Detroit (Group 12).....	127	109	86	63½	54½	45½	95	72½
La Crosse (Group 13)...	164	136½	101½	79	64½	56	118½	85

<sup>1</sup> Governed by the Official Classification and exceptions thereto, issued by Eugene Morris and W. H. Hosmer, Agents.

TABLE 34

PROPORTIONAL COMMODITY RATES APPLICABLE ON TRAFFIC  
ORIGINATING IN CENTRAL AND SOUTH AMERICA, MEXICO,  
AND THE WEST INDIES ISLANDS VIA GULF PORTS

COMMODITIES	RATES IN CENTS PER 100 POUNDS				
	FROM CENTRAL AND SOUTH AMERICA, MEXICO, AND THE WEST INDIES ISLANDS TO				
	Cincin- natl, Ohio	Chicago, Ill.	Kansas City, Mo.	Denver, Colo.	Salt Lake City, Utah
Cigars .....	66	66	110	180	313
Tobacco, unmanufactured, L. C. L. ....	66	75	85	148	268
Tobacco, unmanufactured, C. L. ....	32	35	53	84	182
Pineapples, C. L. ....	32	32	46.4	88	162.4
Oranges, C. L. ....	37	40	60	115	150
Straw hats .....	75	75	110	180	288
Honey, C. L. ....	50	50	110	180	313
Honey, L. C. L. ....	75	75	110	180	313

## CHAPTER VII

### REGULATION

#### 1. JURISDICTION OF FEDERAL GOVERNMENT OVER WATER CARRIERS

The question of federal control over foreign commerce has been raised from time to time in the past, and it is generally conceded that Congress assumed control over commerce between the United States and foreign countries under the Commerce Clause in the Federal Constitution, which provides "that Congress shall have power to regulate commerce with foreign nations." This view was sustained as early as February 18, 1793, by the Supreme Court of the United States.

At the time, however, that the Constitution of the United States was drafted, the conditions applying to the transportation of property were greatly dissimilar from those of later years. The majority of our commerce, both foreign and internal, was transported by vessels upon the high seas and by barges and tow-boats on the inland waterways. Very few stage or wagon roads of any importance or length existed and those that were constructed led from the towns and settlements located on the navigable waters to the woods and developing interior settlements.

The stage routes of those days did not engage in the transfer of property to any great extent inasmuch as their capacity was taxed to the utmost in the conveyance

of passengers between the various points that they reached.

When the traffic was handled by land, however, the service was performed entirely on common roads and in vehicles drawn by animal power. No one at that time imagined that the roads and bridges of the country (except when the latter crossed navigable streams) were not entirely subject as to their construction, repair, and management to state regulations and control. At the same time, it was not supposed that the wagons of the country, which were the vehicles of this commerce, or the horses by which they were drawn were subject to national regulation.

Some of the early statesmen held this same view with respect to the construction of our first railroad, viz., that while the right of way was subject to state and federal legislation, the vehicles themselves were exempt from any regulations. This view did not obtain for any great length of time and the federal right of control was conceded at an early date.

## 2. THE ACT TO REGULATE COMMERCE AS APPLIED TO FOREIGN COMMERCE

In opening the debate on April 14, 1886, the Chairman of the Senate Select Committee, explaining the bill for the regulation of commerce, for the information of the United States Senate, said:

While the provisions of the bill are made to apply mainly to the regulation of the interstate commerce, in order to regulate such commerce fairly and effectively it has been deemed necessary to extend its application also to certain classes of foreign

commerce which are intimately intermingled with interstate commerce, such as shipments between the United States and adjacent countries by railroad, and the transportation by railroad of shipments between points in the United States and ports of transshipment or of entry, when such shipments are destined to or received from a foreign country on through bills of lading. To avoid any uncertainty as to the meaning of these provisions in regard to what may be at the same time in some instances State and foreign commerce, it is expressly provided that the bill shall not apply to the transportation of properties wholly within one State and not destined to or received from a foreign country.

This section of the Act was enacted by both houses of Congress substantially as reported by the Committee, and while the scope of some of its provisions has been enlarged by subsequent amendments, its effect in so far as this particular traffic is concerned remains unchanged.

For the purpose of giving the Commission's remarks in connection with several cases involving its jurisdiction over foreign commerce, conferred by Section 1 of the Act, this section is reproduced as follows:

The provisions of the act shall apply to any corporation or any person or persons engaged in the transportation of oil or other commodity, except water and except natural or artificial gas, by means of pipe lines, or partly by pipe lines and partly by railroad, or partly by pipe lines and partly by water, who shall be considered and held to be common carriers within the meaning and purpose of this act, and to any common carrier or carriers engaged in the transportation of passengers or property wholly by railroad (or partly by railroad and partly by water when both are used under a common control, management, or arrangement for a continuous carriage or shipment), from one state or territory of the United States, or the District of Columbia, to any other state or territory of the United States, or the District of Columbia, or from one place in a territory to another place in the same territory, or from any place in the United States to an

adjacent foreign country, or from any place in the United States through a foreign country to any other place in the United States, and also to the transportation in like manner of property shipped from any place in the United States to a foreign country and carried from such place to a port of transshipment, or shipped from a foreign country to any place in the United States and carried to such place from a port of entry either in the United States or an adjacent foreign country: Provided, however, that the provisions of this act shall not apply to the transportation of passengers or property, or to the receiving, delivering, storage, or handling of property, wholly within one state and not shipped to or from a foreign country from or to any state or territory as aforesaid.

One of the most celebrated cases of recent years was the so-called "Baltic Pool," which was comprised of several of the larger trans-Atlantic lines, namely, the Hamburg-American Company, North German-Lloyd Company, the Wilson (Hull Line), and the Scandinavian-American, all serving ports on the Baltic Sea. It was alleged by a competing line (the Cosmopolitan Shipping Company) that the Baltic lines, by means of a preferential agreement with the carriers, secured the bulk of the traffic to, from, and via ports on the Baltic Sea. It was contended that this was an illegal pooling of freights under the Act to Regulate Commerce, that the monopoly of the Hamburg-American Packet Company and others was unlawful, and that it tended to decrease competition and to advance illegally transportation charges. The Commission was requested to prescribe such rules and regulations in lieu of those existing at that time over the defendants' lines as would in the future operate to prevent the continuance of the exactions, unjust discriminations, undue and unreasonable

prejudice and disadvantage to which the complainant was at that time subjected.

The point raised in this allegation, as may be seen, was the jurisdiction of the Interstate Commerce Commission over ocean carriers engaged in the transportation of shipments moving to or from points in the United States and destined to or originating at foreign countries not adjacent to the United States.

From a perusal of this section of the Act to Regulate Commerce, it may be observed that traffic from ports of export to foreign ports and from foreign ports to American ports of entry is exempted, and that it naturally follows that over such traffic the Interstate Commerce Commission should have no jurisdiction. Further than this, the uniform interpretation of the law is that an all-water carrier engaged in transporting freight originating at New York or at New Orleans may engage in such traffic between such ports without filing its rate with the Interstate Commerce Commission.

Likewise, steamship lines plying between Pacific coast ports or carriers transporting freight between ports on the Great Lakes or river carriers operating on the inland waterways, as long as they are independent and are not controlled or managed by the same interest controlling a rail line and in the absence of an arrangement for continuous carriage under joint rates, are exempted from the provisions of the Act. When, however, such lines enter into an agreement and establish joint rates for the continuous movement of freight from port to port in connection with certain rail lines, to or from the respective ports, then the water lines become subject to all of the provisions mandatory and prohibitory of the Act to Regulate Commerce.

This being the case in so far as our domestic commerce was concerned, the complainant asked that our foreign commerce be measured by the same rule, and that on shipments transported under a common arrangement with rail carriers that the ocean carriers be made subject to the Act. In disposing of this point, the Interstate Commerce Commission said, in part:

It would be a far cry, indeed, to say that a railroad in France which makes itself part of a through route from Chicago to Paris becomes subject to the interstate commerce act because a railroad in Georgia, by accepting through billing of interstate commerce, has been held to be a carrier described in section 1 of the act to regulate commerce. Yet such would be the logical conclusion of complainant's contention were all export and import commerce moving by rail and water governed by the same rule as applies to interstate traffic; for if through billing determines jurisdiction, then all carriers participating therein become subject to regulation by Congress.

The jurisdiction of this Commission is not to be determined by anything other than the language of section 1 of the act, and in this section we find a clear distinction drawn as between interstate commerce and foreign commerce to a country not adjacent to the United States; and this distinction, in our opinion, saves such foreign commerce from the effect of that provision of the section as to continuous carriage beyond the American seaboard. The Commission may regulate interstate traffic, whether by rail or by a combined rail-and-water route, from point of receipt to point of delivery; but the Commission in its control over foreign commerce is limited to the regulation of such traffic, whether by railroad or by a combination of rail and water carriers, from and to the point of transshipment.<sup>1</sup>

The proper construction placed upon Section 1 of the Act to Regulate Commerce gives the Interstate Commerce

<sup>1</sup> 13 I. C. C. Rep., 271.

Commission jurisdiction only over the inland portions of the haul on such shipments as are destined to foreign countries. Indeed, as the law is read, that is, the entire Act to Regulate Commerce, every provision by which discrimination may be punished or rebating or any other evil at which the law is aimed, assumes that the Act condemned shall have been committed within the United States and the law takes no cognizance whatever of the possibility of applying it to common carriers or individuals who are outside the jurisdiction of our courts.

Generally speaking, the affairs of carriers operating upon the high seas are subject to the jurisdiction of the Admiralty Courts, the scope of whose jurisdiction in the United States only includes maritime causes or such as arise out of commerce and navigation upon the high seas or navigable waters of the United States. This jurisdiction rests solely upon the Constitution of the United States and is not dependant upon and cannot be enlarged or abridged by Congress under its power to regulate commerce between the states and foreign nations.<sup>2</sup>

The Commission, not having been given control over the ocean carriers, cannot compel observance of the law by such carriers and, if they so choose, they may alter their rates at such times or for such patrons as they please. Therefore, the line must be drawn decisively between those carriers whose rates and practices this Commission can control and those which it cannot control. Upon this line of reasoning it has been the consistent ruling of the Commission that joint rates can-

<sup>2</sup> *The Belfast*, 7 Wall (U. S. 624, 19 L. Ed., 266).



not be made over carriers subject to the Act and those not subject to the Act.

The Federal Government has said that this Commission shall exercise jurisdiction over the inland portion of the haul, either to or from the foreign country; and it must logically and necessarily follow that the rate which must be filed with the Commission under section 6 of the act is the rate governing such movements. On foreign commerce the rate to be published with this Commission should be the rate to the port and from the port—an open rate, which any who desire to do so may use with equal advantage. The publication of such rate does not in any manner limit the very valuable privilege of through billing. Such through billing should clearly separate the liability of the rail and the ocean carrier and show the published rate of the inland carrier. The routing of the freight, however, should remain with the shipper, and upon him may be imposed no greater charge to the port when his freight goes by one ocean line than by another, and this rate to the port the tariffs must disclose.<sup>3</sup>

<sup>3</sup> 18 I. C. C. Rep., 281.

## CHAPTER VIII

### EXPORT AND IMPORT RATES VS. DOMESTIC RATES

The question of the propriety of a lower rate on export or import traffic than is concurrently in effect on domestic traffic of the same character and kind has frequently been questioned. While the question has not been definitely settled for all time, it is interesting to review the remarks of the Interstate Commerce Commission with respect to this phase of the traffic, as it had held previously that no circumstances and conditions which existed beyond the seaboard in the United States could be regarded legitimately by them for the purpose of justifying a difference in rates between those applicable on import traffic and those applicable on domestic traffic.

On the other hand, the carriers called attention to the numerous routes that were available for the forwarding of the world's commerce via the various American ports of entry and export, as well as between the port cities themselves. There were facts, although admitted by the Commission to be true, that it was unable to recognize inasmuch as it was shut up by the terms of the Act to Regulate Commerce to consider only such circumstances and conditions as pertained to the articles of traffic after they had reached and been delivered to a port of the United States or Canada.

The act to regulate commerce will be examined in vain to find

any intimation that there shall be any difference made in the tolls, rates, or charges for, or any difference in the treatment of home and foreign merchandise in respect to the same or similar service rendered in the transportation when this transportation is done under the operation of this statute. Certainly it would require a proviso or exception plainly engrafted upon the face of the act to regulate commerce before any tribunal charged with its administration would be authorized to decide or hold that foreign merchandise was entitled to any preference in tolls, rates, or charges made for, or any difference in its treatment for the same or similar service as against home merchandise. Foreign and home merchandise, therefore, under the operation of this statute, when handled and transported by interstate carriers, engaged in carriage in the United States, stand exactly upon the same basis of equality as to tolls, rates, charges, and treatment for similar services rendered. The business complained of in this proceeding is done in the shipment of foreign merchandise from foreign ports to ports of entry of the United States, or through ports of entry in a foreign country adjacent to the United States, to points of destination in the United States, upon through bills of lading.<sup>1</sup>

This was the original stand taken by the Interstate Commerce Commission in formulating its order of January 29, 1891, which it was subsequently called upon to review. As an illustration of the evolution of import rates, the following extract from the Commission's report is pertinent.

The defendant company admitted that, as a scheme or mode of obtaining foreign traffic, it had agencies by which, and by the use of through bills of lading, it secured shipments of merchandise from Liverpool and London and other European ports to San Francisco and to other inland ports named. It alleged that, in order to get this traffic, it was necessary to give through rates from the places of shipment to the places of final destina-

<sup>1</sup> 4 I. C. C. Rep., 512, 516. 3 I. C. C. Rep., 443, 444.

tion, and that, in fixing said rates, it was controlled by an ocean competition in sailing and steam vessels by way of the Isthmus and around the Horn, and also, to some extent, by competition through the Canada route to the Pacific coast. These rates, so fixed and controlled, left to the defendant company and to the Southern Pacific Company, as their share of the charges made and collected, less than the local charges of said companies in transporting similar merchandise from New Orleans to San Francisco, and so, too, as to foreign merchandise carried to other inland points. The defendant further alleged that unless it used said means to get such traffic merchandise to the Pacific coast would none of it reach New Orleans, but would go by the other means of transportation; that neither the community of New Orleans nor any merchant or shipper thereof was injured or made complaint; that the traffic thus secured was remunerative to the railway company and was obviously beneficial to the consumers at the places of destination, who were thus enabled to get their goods at lower rates than would prevail if this custom of through rates was destroyed. \* \* \* The Commission justified its action wholly upon the construction put by it on the act to regulate commerce, as forbidding the Commission to consider the "circumstances and conditions" attendant upon foreign traffic as such "circumstances and conditions" as they are directed in the act to consider. The Commission thought it was constrained by the act to regard foreign and domestic traffic as like kinds of traffic under substantially similar circumstances and conditions, and that the action of the defendant company in procuring through traffic that would, except for the through rates, not reach the port of New Orleans, and in taking its pro rata share of such rates, was an act of "unjust discrimination," within the meaning of the act. \* \* \*

In so construing the act we think the Commission erred.

As we have already said, it could not be supposed that Congress, in regulating commerce, would intend to forbid or destroy an existing branch of commerce, of value to the common carriers and to the consumers within the United States. Clearly, express language must be used in the act to justify such a supposition.

So far from finding such language, we read the act in question

to direct the Commission, when asked to find a common carrier guilty of a disregard of the act, to take into consideration all the facts of a given case—among which are to be considered the welfare and advantage of the common carrier, and of the great body of the citizens of the United States to constitute the consumers and recipients of the merchandise carried; and that the attention of the Commission is not to be confined to the advantage of shippers and merchants who deal at or near the ports of the United States, in articles of domestic production. Undoubtedly the latter are likewise entitled to be considered; but we cannot concede that the Commission is shut up by the terms of this act to solely regard the complaints of one class of the community. We think that Congress has here pointed out that, in considering questions of this sort, the Commission is not only to consider the wishes and interests of the shippers and merchants of large cities, but to consider also the desire and advantage of the carriers in securing special forms of traffic, and the interests of the public that the carriers should secure that traffic, rather than abandon it, or not attempt to secure it. It is self-evident that many cases may and do arise where, although the object of the carriers is to secure the traffic for their own purposes and upon their own lines, yet nevertheless, the very fact that they seek, by the charges they make, to secure it, operates in the interests of the public. \* \* \*

The conclusions that we draw from the history and language of the act, and from the decisions of our own and the English courts, are mainly these: That the purpose of the act is to promote and facilitate commerce by the adoption of regulations to make charges for transportation just and reasonable, and to forbid undue and unreasonable preferences or discriminations. That, in passing upon questions arising under the act, the tribunal appointed to enforce its provisions, whether the Commission or the courts is empowered to fully consider all the circumstances and conditions that reasonably apply to the situation, and that, in the exercise of its jurisdiction, the tribunal may and should consider the legitimate interests as well of the carrying companies as of the traders and shippers, and in considering whether any particular locality is subjected to an undue preference or dis-

advantage the welfare of the communities occupying the localities where the goods are delivered is to be considered as well as that of the communities which are in the locality of the place of shipment. That among the circumstances and conditions to be considered, as well in the case of traffic originating in foreign ports as in the case of traffic originating within the limits of the United States, competition that affects rates should be considered, and in deciding whether rates and charges made at a low rate to secure foreign freights which would otherwise go by other competitive routes are or are not undue and unjust, the fair interests of the carrier companies and the welfare of the community which is to receive and consume the commodities are to be considered. That if the Commission, instead of confining its action to redressing, on complaint made by some particular person, firm, corporation, or locality, some specific disregard by common carriers of provisions of the act, proposes to promulgate general orders, which thereby become rules of action to the carrying companies, the spirit and letter of the act require that such orders should have in view of the purpose of promoting and facilitating commerce, and the welfare of all to be affected, as well the carriers as the traders and consumers of the country.<sup>2</sup>

Evidence was introduced by several of the carriers, illustrating the effects following the issuance of the order by the Interstate Commerce Commission for them to desist from charging less on import and export traffic than was charged on the same kind of domestic traffic. The exhibits tending in all instances to show a substantial decrease in the volume of traffic handled.

In referring to the decision of the United States Supreme Court, to which tribunal the order of the Commission was appealed by the carriers, the Interstate Commerce Commission states in a somewhat later case as follows:

<sup>2</sup> I. C. C. Rep., 422, 437.

\* \* \* The court treated the entire field of foreign commerce as a class different from domestic commerce. It did not undertake, nor was there involved, the determination of the propriety of different import rates where the points of origin were not the same, and we do not think the language of that opinion fairly may be considered to impose upon this Commission the impossible burden of examining into the circumstances and conditions that may affect transportation from every conceivable point on the globe to points in the United States. Few carriers publish the same export rates on traffic for Europe as for South or Central America, but except in the instant case we are not now aware of any publication of varying export rates on traffic for a single foreign country. It may be, and upon this point we express no opinion, that we properly can consider the comparative differences in conditions affecting transportation for Europe and South America, for this is within the realms of practicability, but to say that we must determine whether the difference in conditions attaching to transportation to every point in England is sufficient to justify different export rates is to cast upon us the duty of inquiring into the circumstances affecting the transportation of property by the English railroads. \* \* \*

#### YOUNGSTOWN TERRITORY

That territory beginning at Point Edward, Ont., and thence on and south of the Grand Trunk Ry., main line, Sarnia, to but not including Niagara Falls, via London, Ont.; thence north of the Niagara River to but not including Buffalo, N. Y.; thence west of the Buffalo, Rochester & Pittsburgh Ry. to but not including Salamanca, N. Y.; thence west of the Erie R. R. to but not including Falconer Junction, N. Y.; thence west of the Dunkirk, Allegheny Valley & Pittsburgh R. R. to but not including Warren, Pa.; thence west of the Western New York & Pennsylvania R. R. to but not including Oil City, Pa.; thence via the Allegheny River to but not including Franklin, Pa.; thence via an imaginary line immediately west of the Allegheny River to but not including Butler, Pa.; thence west of

the Baltimore & Ohio R. R. to but not including Allegheny, Pa.; thence to but not including Pittsburgh or McKees Rock, Pa.; thence west of the Baltimore & Ohio R. R. to but not including Wheeling, W. Va.; thence south via an air line to Cannelton, W. Va.; thence via the Chesapeake & Ohio R. R. to a point just east of Ashland, Ky.; thence following the south bank of the Ohio River to a point opposite Pomeroy, Ohio; thence north, just east of Pomeroy, Ohio, and the Toledo & Ohio Central Ry., east of Athens to a point just east of New Lexington, Ohio; thence east of the Cincinnati & Muskingum Valley Ry. to a point just east of Zanesville, Ohio; thence east of the Wheeling & Lake Erie R. R. to a point just east of Coshocton, Ohio; thence east, just south of the Pittsburgh, Cincinnati, Chicago & St. Louis Ry., south of New Comerstown, to a point just south and east of Uhrichsville, Ohio; thence north, just east of the Cleveland, Lorain & Wheeling Ry., to a point just east of Canal Dover, Ohio; thence east of the Pennsylvania Co. to a point just south and east of Valley Junction, Ohio; thence north, just east of the Baltimore & Ohio R. R., to a point just east of Canton, Ohio; thence east of the Pennsylvania Co. and east of Alliance and Ravenna to a point just east of a junction with the Wheeling & Lake Erie R. R., north of Earlville, Ohio; thence east of the Wheeling & Lake Erie R. R. to a point east of Bedford, Ohio; thence east of the Pennsylvania Co. and east of Newburgh and Woodland to a point just north and east of Cleveland, Ohio, but not including Collinwood, Ohio; thence via but not including the south and west shores of Lake Erie and the Detroit River to a point just east of Detroit, Mich.; and thence via but not including the west shore of Lake St. Clair and the St. Clair River to and including Point Edward, Ont.



## TEST QUESTIONS

These questions are for the student to use in testing his knowledge of the assignment. The answers should be written out, but are not to be sent to the University.

1. Define foreign commerce. Into what divisions may it be assigned?
2. Under what circumstances may Chicago, Ill., be classed as a port of entry?
3. Is the term "foreign countries" uniform in all cases?
4. How, as a general rule, are rates to countries not adjacent to the United States published?
5. Are the rates from Central Freight Association Territory to points in the Dominion of Canada filed with the Interstate Commerce Commission?
6. May the rates on export or import traffic exceed those on like domestic traffic?
7. What influences must the lines serving the North Atlantic ports consider in constructing import rates to points in the Middle West?
8. What would be the rate on fluor spar from New York to an 80 per cent point?
9. Compare the domestic class rates on import traffic with the rates on domestic traffic from Portland, Me., to Chicago, Ill.
10. In general, is the same basis employed in establishing commodity rates from other Atlantic ports?
11. How are the rates to points in Illinois and Wisconsin constructed on traffic imported by way of Gulf ports?
12. What are the class rates from Mobile, Ala., to St. Paul, Minn.?
13. What is the rate on wood pulp from Galveston, Tex., to Freeport, Ill.?
14. On commodities taking less than the sixth-class rate, what class differential is deducted in establishing through rates?
15. Is the grouping employed in the construction of rates to Missouri River Territory similar to that employed on domestic traffic?
16. Upon what basis are class rates via Atlantic ports, such as from New York to Kansas City, Kan., constructed?
17. Upon what differentials are rates to Lincoln, Neb., made over the rates on like traffic to Kansas City, Kan.?

18. How are the class rates via Gulf ports to the same points of destination made?

19. In what way is the publication of rates on commodity traffic to points in Oklahoma restricted?

20. Do the lines serving the North Atlantic ports attempt to meet the rates of the Gulf lines to points in Arkansas and Louisiana?

21. What is the general practice with reference to the construction of class and commodity rates on import traffic to points in Southeastern Territory?

22. How are the Colorado Common Points defined?

23. Compare the rates to Salt Lake City, Utah, on import traffic via Gulf routes with those applicable on like traffic from New York.

24. Upon what basis are rates from Galveston, Tex., to Los Angeles, Cal., made?

25. How are the rates to the so-called intermountain cities constructed?

26. Does the basis for the construction of import rates follow that employed on export traffic?

27. Is it permissible for the carriers to establish a lower rate on traffic originating in one foreign country than in another?

28. What basis is employed in constructing rates on Central American traffic from Gulf ports to interior destinations of the United States?

29. How are the rates on Mexican traffic constructed?

30. Enumerate some of the more important border countries.

31. What are the principal seaports on the east and the west coasts of Mexico?

32. Assuming the rate of exchange to be 300, what decimal would be employed in converting a Mexican rate per thousand kilos into cents United States currency per 100 pounds?

33. How are the rates from Mexico City, Mex., to New York, N. Y., made?

34. To what countries are the application of rates via Pacific coast ports of entry confined?

35. Does the grouping of interior destinations conform to that employed on domestic traffic?

36. Are the rates on class traffic the same as those in effect on domestic shipments?

37. Give an illustration of the application of a rate on matting in less-than-carload lots from San Francisco, Cal., to Chicago, Ill.

38. Give an illustration of the various routes available on traffic originating in Cuba and destined to St. Paul, Minn.

39. What would be the first-class rate on traffic from Havana, Cuba, to Mobile, Ala.?

40. To what items are the publication of commodity rates from Cuban ports confined?

41. What basis for rates is employed on traffic exported to foreign countries via Halifax, N. S.?

42. In the employment of this basis, what territories does the term "foreign countries" exclude?

43. What does the term "New York domestic rates," as used in Table 19, indicate?

44. Compare the export rates from Chicago, Ill., to Halifax, N. S., with those on domestic traffic.

45. What are the more important Mexican Common Points?

46. What adjustment does the one employed in constructing rates to Mexico closely follow?

47. How are the rates from St. Louis, Mo., to Mexico City, Mex., determined? With the rates so determined, how are rates from Chicago, Ill., reckoned?

48. How are the rates on rail-and-water traffic from St. Louis, Mo., to Mexico City, Mex., made?

49. How are the rates from Chicago, Ill., to Monterey, Mex., made?

50. In making rates on less-than-carload traffic by way of New York, what charges must be added to the general basis of rates?

51. What method is employed in establishing rates from Central Freight Association Territory to points in Cuba by way of Gulf ports?

52. On what basis are the rates to Key West, Fla., made with relation to the rates to other Gulf ports?

53. Give an illustration of the construction of a rate from Youngstown, Ohio, by way of Mobile, Ala., and Key West, Fla.

54. Enumerate some of the more important Cuban outports.

55. Upon what basis are rates to these outports constructed? Do the rates so made include marine insurance?

56. Does the grouping of the territory and the basis for making rates from points in Western Trunk Line Territory follow that employed in the Central Freight Association Territory?

57. What is said relative to the jurisdiction of the Federal Government over water carriers?

58. In your opinion, does the absence of control over water carriers tend to stimulate competition?

59. What have the courts held with reference to a lower rate on export and import traffic than on domestic traffic? In your opinion, does such a policy result to the advantage or disadvantage of the public at large?



# FREIGHT RATES WESTERN TERRITORY

ONE OF A SERIES OF TREATISES IN AN INTERSTATE COMMERCE  
AND RAILWAY TRAFFIC COURSE

## PART 4 EXPORT AND IMPORT FREIGHT RATES

WILLIAM CAMERON

Chairman, St. Louis Eastbound Freight Committee  
Chairman, St. Louis-Cincinnati-Louisville Freight Committee

**LA SALLE EXTENSION UNIVERSITY**

(Non-Resident Instruction)

CHICAGO











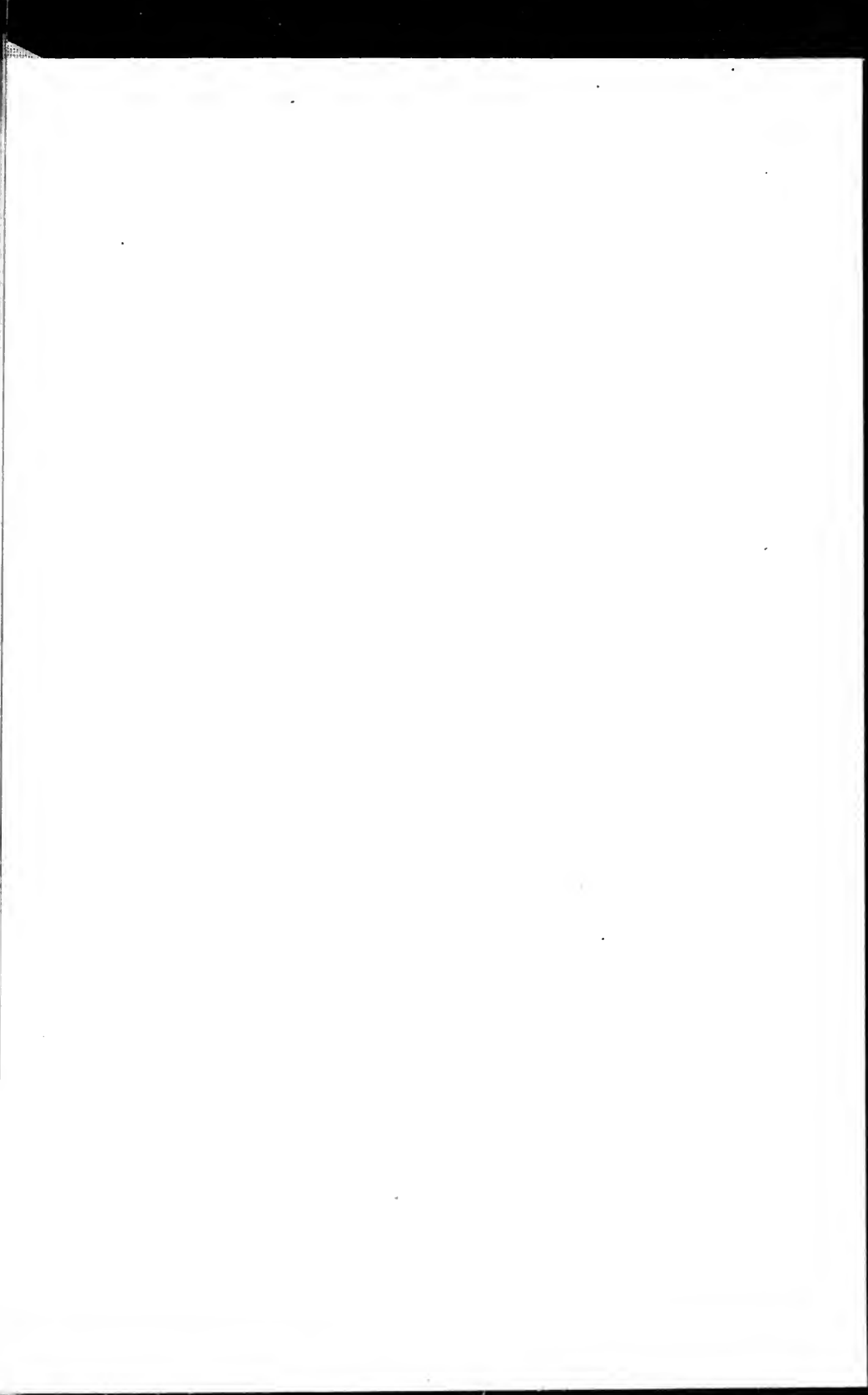












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